Largest Circulation of Any Canadian Financial Paper

THE FINANCIAL POST

Canadian Mining News Department Page 16

The Canadian Newspaper for Business Men and Investors

Vol. XXVI Member of Audit Bureau of Circulations • PUBLICATION OFFICE: TORONTO, MARCH 12, 1932 10c a Copy; $5.00 a Year No. 11

The Nation's Business

- **Trust-Busting Procedure May Be Modified**
- **World Will Benefit From Empire Unity**
- **Branch Plants Add to Canada's Wealth**

Simplifying Our Trust-Busting

THE courts have ruled that there is no combine in the motion picture industry in Canada. Of course the decision will not be final until the appeals, if any, are out of the way, but the decision is significant. It brings the whole question of the Combines Investigation Act prominently to the fore. Conclusion of the court case makes it proper to discuss phases of this attempt to bust the so-called movie trust that would have been somewhat sub judice earlier.

After the report of Commissioner Peter White, K.C., declaring Famous Players Canadian Corporation and other companies to be operating a combine was made public, and before the recent trial, The Financial Post remarked that the public enquiry was thoroughly unfair. We said:

> "The enquiry served to put the film companies of Canada on trial before the court of public opinion but not with an impartial judge sitting on the bench. Rather, the whole proceedings were conducted by an inquisitor, virtually a public prosecutor. All that has resulted to date is a report that for all the public knows, may be thoroughly unfair."

Events have justified this statement.

* * *

THE FINANCIAL POST has for some time contended that, while this country has what is perhaps the fairest and most reasonable system of trust-busting in the world today, its value has been diminished to some extent by the lack of simplicity in the procedure. To establish and punish a combine in Canada a three-stage operation has been the practice: first, a private enquiry by the registrar or his nominee; second, a public enquiry; and third, a criminal trial. The unfair feature is the public enquiry which has a tendency to cause the public to prejudice the criminality of certain actions before a fair trial, under the time-tried methods of British courts, can be had. The Financial Post has urged the Government to eliminate entirely this second or public enquiry stage. If the preliminary private enquiry provides prima facie evidence of a combine against the public interest criminal action should be at once instituted; if it does not, then the expensive and delaying procedure of a public enquiry is not called for.

* * *

THE Financial Post understands that this suggestion has received favorable attention at Ottawa. The decision in the Famous Players case probably makes it certain that no more public enquires into alleged combines will be held.

Without such enquiries, the procedure of establishing the existence of combines and limiting their activities against the public interest will be immeasurably speeded up and greater justice done to both corporations and the public.

* * *

Empire Unity is No Menace to World

THE Imperial Economic Conference at Ottawa in July may prove to be a very useful meeting but it is hardly likely to be the anvil upon which a policy of Empire economic unity will be forged, although if the Empire is fortunate, the conference may prove to be the showroom at which the new policy will be displayed. The real work of the Imperial Conference, if it is done at all, will be done before the conference convenes. Unless there is a very definite advance understanding on the main issues involved, between the different countries of the Empire there will be little progress, for such an understanding can hardly be achieved at a brief conference. That is why it is so essential that the preparatory work for the conference should be thorough.

* * *

THE Empire countries can make a notable contribution to world recovery by achieving some measure of economic unity now. Two of the chief barriers to world recovery undoubtedly are these:

1. Excessively high tariffs all over the world. Canada, for example, would not need its presently high tariff if there were a lower average tariff all around. Britain abandoned free trade regretfully and in self defence. There is a vicious circle in tariffs that cannot be broken by any one country.

2. Lack of a world monetary and credit policy that would make possible the stabilization of prices and greater security for capital.

(Continued on page 2, col. 8)

BEAUHARNOIS AFFAIRS GROW IN COMPLEXITY

Big Enterprise Faces Struggle for Existence

POSSIBLE DEFAULT

April 1 Interest Now in Doubt — Securities Weak — Look to Montreal Power

From Our Own Correspondent

MONTREAL.—With the granting of the new order-in-council to the Beauharnois Power Corp., the Dominion Government is said to have informed the bankers that it will not continue to guarantee further advances by the banks to the company for constructional purposes. The banks apparently are not overly eager to make further loans in view of the difficulty of carrying out public financing just now and the uncertainty over the outlook has caused a marked weakness in the securities of the Beauharnois Power Corp.

Beauharnois is understood to have had current liabilities of around $3,000,000 at the beginning of the month, of which some $250,000 represented wages. There was some fear that the wage bill would not be met last week-end, but funds were deposited with the company's banker to take care of this obligation. It is further stated that sufficient cash is on hand to take care of needs for the next few weeks and after that, the company's ability to meet its obligations will depend upon whatever course of action the bankers have decided on in the meanwhile.

Heavy Stock Selling

Co-incident with the uncertainty over Beauharnois' future, heavy selling of the company's stock has taken place on the Montreal market. Over the past week in excess of 50,000 shares have changed hands at an average of $1 a share. It is reported that the selling comes from usually well-informed circles and that the buying comes from speculators who are willing to pay $1 a share for the junior security as a promising gamble.

Bond Position Serious

Of more concern than the selling of stock, however, is the position of Beauharnois Power Corp.'s collateral trust bonds, which are being currently offered at 40, with limited buying at that level. Much doubt exists as to the ability of the company to meet its bond interest on April 1 next, which calls for payment in American funds, or in sterling at par of exchange, or in Canadian funds.

It has been the general impression that out of the proceeds of the sale of $30,000,000 worth of bonds, sufficient moneys had been set aside in escrow to take care of interest charges until the plant came into production on October 1 next. Such is not the case.

Escrow Money Gone

Examination of the trust deed brings to light the fact that only sufficient funds were set aside to take care of interest up to October 1, 1931. This is set forth in Article IX, paragraph 2, section A.

The balance of the proceeds from the sale of bonds has long since been disbursed for corporate purposes and the company is now faced with the task of raising sufficient funds to take care of $900,000 of interest due at the beginning of next month. If payment is demanded in American funds, the amount needed will be close unto $1,000,000.

Decision With Banks

Solution to this problem rests with the banks. Control of the company's affairs would appear to rest in the hands of the banks and the decision as to whether or not interest will be paid on April 1 rests very largely with them.

Before arriving at conclusions, however, it is well to remember that at the time of the parliamentary enquiry into Beauharnois' affairs, the premier stated that the interests of the investors would be protected. The majority of these bonds were sold in Canada and a default in interest payments would work serious hardship. At the same time it would seriously undermine confidence in the enterprise and make further financing extremely difficult.

It is unlikely, therefore, that the interest payment will be defaulted without further action being taken by the Dominion Government. The assurances given, while they do not

(Continued on page 2, col. 5)

Ottawa Sees End of Road In Insurance Legal Fight

From Our Own Correspondent

OTTAWA.—Round table discussions between the Dominion and provincial governments and the life insurance companies are very likely to result in general agreement as to jurisdiction in this field of business, and to modify very extensively the legislation now before the Senate.

It is understood that conferences between a representative of the federal government and the legal adviser of the insurance companies have already taken place. The companies' legal adviser is Hon. N. W. Rowell, of Toronto. Whether Mr. Rowell has had any conversations with the provinces is not known here.

In a general way, enquiries by the Ottawa government indicate that a majority of the provinces favor continued insurance administration by Ottawa, and are quite ready to concede any constitutional rights they may possess. This is substantially true of all the provinces except Ontario and Quebec. The weaker provinces take the view that to assume administration of insurance would cost money, and they are in no position to undertake greater expenditures at this time.

The legislation now before parliament will not be hurried, so that any changes made necessary by the discussions which will be carried on between the Federal and provincial governments and Mr. Rowell, may be incorporated.

Duke-Price Power Retiring Gold Notes

From Our Own Correspondent

MONTREAL.—Duke-Price Power Co. will take care of $3,500,000 gold notes due on the 15th of next month. Other than the fact that the issue will be taken care of at maturity, officials of the company have nothing to say at the moment on the possibility of refinancing. An official announcement will be made toward the end of the month, or early in April, upon return of the president from Europe.

Little information is available on this note issue. It was issued in 1927 and carries a coupon of 6 per cent. No public offering was ever made, the issue presumably having been taken up by interests close to the company.

CAN. MOTOR LAMP CAPITAL CHANGE TO BE DECIDED

Proposed Financing May Be Sufficient Until Business Improves

Proposal to revise the capital structure of Canadian Motor Lamp Co. will be considered by shareholders at a special general meeting to be held March 18 in East Windsor. Under the scheme of arrangement the 2,220 shares of preferred stock now outstanding would be exchanged for 22,200 shares of new class A common stock and present common shares, outstanding to the extent of 12,500, would be reduced to 6,250 shares of new class A common. In addition, 71,550 class B common shares would be issued to Dominion Forge & Stamping Co. in consideration of financial assistance to be rendered.

Capital reorganization of Canadian Motor Lamp Co. is stated to be necessary because of large operating losses in 1930 and 1931 arising from reduction in output in the motor industry, of losses sustained by the company following expropriation of part of its property by East Windsor which caused the company to move and of write-offs on inventories and tools and dies. The proposed change would give a capital surplus of $111,453 in place of a deficit of $71,172 and would strengthen liquid position which showed a deficit of $65,000 at December 31, 1931. Operating loss in 1931 was $53,475.

Would Advance $100,000

Dominion Forge & Stamping Co. has agreed to advance moneys to Canadian Motor Lamp Co. up to a total of $100,000 evidenced by demand notes bearing interest the same as that charged by the bank. With this financing it is believed that the company will be taken care of until January, 1934, and that during the intervening period it will be possible to work out of present difficulties. In return for financial aid 71,550 fully paid class B shares will be issued to Dominion Forge & Stamping Co.

The class B shares will be subject to class A shares which present shareholders will receive. Should the company go into liquidation before the current assets exceed current liabilities class A shares will receive preference to the extent of $2 per share before class B shares and any further distribution will be made pro rata among class A and class B common shareholders. This provision is included as protection for present shareholders and to indicate that any benefits accruing to Dominion Forge & Stamping will only be out of improved earnings. The amount advanced by Dominion Forge will be a charge against assets of Canadian Motor Lamp Co.

Will Show Surplus

The present paid-up capital of the company is shown at $282,625 of which, under the scheme of arrangement, $76,172 will be cancelled and the remaining $206,453 will be represented by the 28,450 class A shares to be issued for present stock outstanding. Of this amount, $95,000 will be considered as capital and $111,453 set aside as distributable surplus. The 71,550 class B shares issued to Dominion Forge & Stamping Co. will represent $5,000 of paid-up capital.

The balance sheet of the company at December 31, 1931, shows current assets of $87,882 of which $77,022 is inventory; $8,831 is receivables and $2,030 is cash. Current liabilities total $151,807 including bank loans of $131,000 and accounts payable of $19,420.

COASTAL LAW INVOKES CLASH ON GRAIN HAUL

Grain and Shipping Interests Face Fight Over New Legislation

WOULD AMEND ACT

Shipping Interests Urge Abolition of Law Permitting Grain Transshipment at Buffalo

From Our Own Correspondent

OTTAWA. — Sharp controversy between two powerful business groups threatens in regard to amendments to the Coastal Laws soon to be introduced.

The point in issue affects the water carriage of grain from the head of the lakes to Montreal. Hitherto, American vessels have been allowed to carry grain from Fort William or Port Arthur to Buffalo, transship into smaller American vessels and complete the voyage to Montreal.

Under the Canadian coastal laws, heavy penalties are imposed if a foreign vessel carries freight directly between two Canadian ports. The United States has an exactly similar law. But the transshipment voyage from the head of the lakes through Buffalo to Montreal, always has been considered two separate voyages, in each case between a port in one country and a port in the other. Therefore this traffic has not met with any restriction.

Now Called Single Trip

The Canadian shipping interests have declared that the voyage ought, really, to be considered as one trip, and that it should not be legal for American ships to carry grain from the head of the lakes, through Buffalo to Montreal.

Opposing the shipping interests are the grain men of the west, the Winnipeg Grain Exchange, and other associated interests. They support the transshipment of grain at Buffalo on the ground that it facilitates export trade; that to stop this practice would result only in forcing a much greater tonnage of Canadian grain into United States transportation channels. They believe that the transshipment privilege really reduces the tonnage of grain carried from Buffalo to New York, diverts part of it back to Canadian channels of trade.

Of course the shipping interests believe that if transshipment were stopped, a larger proportion of Canadian grain would move to Atlantic ports in Canadian bottoms.

These are the conflicting points of view in regard to the question, and both will be presented to Parliament when the legislation soon to be introduced reaches the committee stage. The government, having gone into the question thoroughly, has decided that the shipping interests have the better case, and Hon. Alfred Duranleau, minister of marine, is understood to have promised to bring down the necessary amendment to the Coastal Laws, stopping transshipment, except under severe penalties, as a government measure.

Meanwhile, the other demands for legislation made by the shipping interests will probably stand over until next year. In addition to the stoppage of transshipment, these interests desire legislation:

Placing heavy duties upon all ships, built elsewhere than in Canada, that enter the Canadian coastal trade.

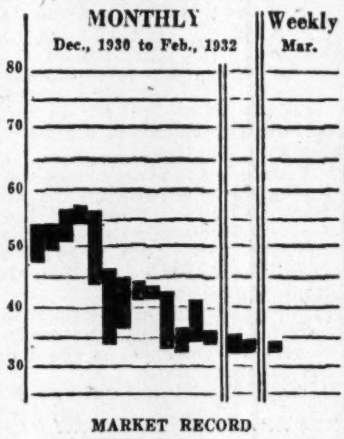
A high tariff on all repairs to Canadian vessel is made elsewhere than in Canadian yards. The present tariff is 25 per cent, the suggested tariff is 50 per cent.

Changing present canal administration, so that foreign-owned ships would have to pay tolls, while Canadian vessels passed through free.

In addition, the shipping interests are opposed to the annual suspension of the Coastal Laws in the fall of the year, whereby United States vessels are permitted to take a cargo of grain and freeze in at the head of the lakes, delivering this one cargo wherever they please, in Canada or the States, in the following spring.

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

Industrial Stocks	High	Low
Week of Mar. 8	34.7	32.7
Week of Mar. 1	33.5	32.3
Month of March, 1931	59.1	53.3
8 Bank Stocks		
Week of Mar. 8	204	204
Week of Mar. 1	204	203
Month of March, 1931	251	246
10 Public Utilities		
Week of Mar. 8	55	53
Week of Mar. 1	54	52
Month of March, 1931	89	82

Return of Capacity Operations In Canadian Newsprint Mills Unlikely During This Decade

Big Lag Now Exists Between Rating and Demand

LOOK TO STATES

Dismantling of Obsolete and Closing High Cost Units Would Speed Up Recovery

From Our Own Correspondent

MONTREAL.—Capacity operations were maintained in 1923 by the Canadian newsprint industry, but, if past records are any criterion a repetition of this state of affairs probably will not occur until after the turn of 1940.

This estimate is based on the assumption that in the intervening time there will be no change in the rated installed capacity and that the trend of consumption and demand follows along the same lines as those prevailing in the past 10 to 15 years.

The extent to which the Canadian industry has been over-expanded has been reiterated again and again. In defense of the extravagant building of the past few years it has been said that the demand by American publishers has increased at such a rate that it is only a matter of a short time before the surplus is absorbed.

Examination of the trend of production and consumption, as well as the source of supply, of the principal newsprint using countries does not warrant any undue optimism of a rapid return to capacity operations by the Canadian industry.

Rapid Growth Registered

Between 1922 and 1931 production of newsprint in Canada advanced more rapidly than for any other basic commodity. From 1,082,000 tons in 1922 output steadily advanced and in 1927 Canada passed the two million ton mark. Boom conditions in the United States and Canada at this time made themselves felt in increased demand and in 1929 a production of 2,729,000 tons set a new all-time record. Since then production has fallen off but the 1931 total of 2,221,000 tons is still far above the average and represents the largest output reported by any nation manufacturing newsprint.

This rapid growth has not been achieved without cost to the industry. Large profits, easy credit facilities and the desire of the provincial governments to exploit their pulpwood resources resulted in the establishment of numerous and costly mills. This expansion is well illustrated by the fact that the average daily capacity of Canadian newsprint mills increased from 5,317 tons at the end of 1925 to 12,376 tons at the beginning of 1932.

Too Much Capacity

Capacity of the newsprint mills in this country is considerably greater than the combined export and domestic demands. Even though capacity in 1929 was not as great as it is today, the operating ratio in that year was 85.5 per cent of capacity. With further newsprint machine installations in 1930 and 1931, together with the falling off in demand, operating ratios slipped off badly.

At the end of 1931 Canadian newsprint mills were operating at 51.3 per cent of their rated capacity. There has been little improvement in the current year. The fact should not be overlooked that this ratio is for the industry as a whole and that many companies are operating well below half of capacity.

When it is considered that the majority of Canadian newsprint mills are capitalized on a basis of an operating ratio considerably above that prevailing today, with newsprint price well above present contract levels, it does not require much imagination to realize that the operators are faced with a difficult and trying situation.

Lower Production Costs

There is little prospect of securing an increase in the price of newsprint for some time to come. Any improvement in the financial position of the operators, therefore, must necessarily come from two sources . . . . reducing production costs, and securing further business.

Over the last 24 months the manufacturers have by necessity cut their costs to a point lower than ever before. There is still room for economy, however, but any further savings in this direction are likely to be small.

Need More Tonnage

What are the prospects for increased tonnage?

Canada at present has a potential annual newsprint production of roughly 3,700,000 tons. On the basis of last year's production, there is an apparent over capacity of 1,500,000 tons. It might be argued that output in 1931 was of a subnormal character but even taking the returns for 1930 the excess productive capacity is around 1,200,000 tons.

May Help Recovery

Before the Canadian newsprint industry can get back to the 1923 operating basis, this surplus capacity must be absorbed. There is always the likelihood of obsolete machinery being dismantled or high cost mills being converted to the manufacture of other grades of paper. This would mean closing up the gap between potential productive capacity and demand and bringing the industry that

(Continued on page 2, col. 5)

Highlights of the Week

Happenings That Make News for This Issue of The Financial Post

Too Much Newsprint

Canadian newsprint mills are overbuilt. But demand for paper grows steadily, taking good years with bad. When will capacity operations be reached? Probably not until after 1940. Page 1.

Lots of Wheat

Prof. D. A. MacGibbon thinks Canada in time can grow 700,000,000 bushels of wheat. This is less than some have forecast but it's a lot of wheat nevertheless. Page 9.

Hopes vs. Results

Mergers always start off with rosy promises. But expected profits don't always come. The record of leading Canadian mergers on page 3.

Branch Plants

The British are worried about "invasion" of foreign branch plants. But to Canadians the branch plant is a Canadian factory. See discussion in The Nation's Business, Page 1.

Figuring Bond Yields

Answer (on page 11) to puzzled investor throws light on higher mathematics of investment returns.

DOMINION POWER STUBS COMMAND HIGHER PRICES

Company is Liquidating Investments to Retire Bonds Due April 1

With some $4,802,000 of first mortgage bonds maturing on April 1, 1932, Dominion Power & Transmission Co. is liquidating its assets consisting of bonds of the Hydro-Electric Power Commission of Ontario guaranteed by the province. The balance remaining after retirement of its funded debt will be distributed among shareholders who stand to benefit by more favorable exchange rates and improvement in bond prices. The stubs, which sold as low as 3½ at the end of February, are now quoted at around 5¾.

The last statement of the company, issued in 1931, showed holdings of $5,350,000 of 5 per cent bonds of the Hydro-Electric Power Commission of Ontario, due in 1935, and another $500,000 of 4¾ per cent bonds which mature in 1970. It is understood that at least part and possibly all of the 5's have been sold while tenders have been asked for the 4¾'s. The latter bonds are currently bid on the street at 87½ which compares with 86 bid on March 1; 84 bid on February 1 and 88 bid early in January.

While bond prices were higher in January the premium on the United States dollar has dropped from around 20 per cent early in January to about 11 per cent at present. Since the company's bonds are payable in United States funds this drop represents a saving to shareholders of around $430,000 or some $6.26 per share on the 69,000 stubs outstanding. The net drop in price of the bonds is considerably less than this yet the stubs are selling at approximately the same level as in early January when the estimated value of the stubs was about $6.22.

On a basis of current bond prices the company might liquidate its investment in Hydro bonds at some $5,566,000 and liquid assets would then approximate $5,903,000. Chief liability is the maturing funded debt, which, if paid off at the current rate of exchange, will cost the company some $5,330,000. Subject to any final costs of winding up the company, the cash remaining for final distribution to shareholders would appear to be more than $560,000 sufficient to give at least $8 per share to be added to past payments which have totalled $60.

The company received $21,000,000 in 5-year and 40-year Hydro debentures in August, 1930, and sold $15,135,000 of these debentures near the peak of the bond market in September, 1930. The remaining debentures were largely of the 5-year term which are not subject to such wide fluctuations in price as is the case in the longer term bond.

OIL COMPANIES' 1932 OUTLOOK IS OBSCURED

Faced By Political Probes and Increased Gasoline Tax Threats

Imperial Oil, British American Oil, McColl-Frontenac, Canadian Oil Companies, Supertest and all the other oil companies, whose stocks are largely held by Canadians, face in 1932 political difficulties of a character that throw a cloud on operations for the year. The investigation into gasoline prices at Ottawa has been started on the complaint of those who thought prices excessive. Their complaint is mainly based on the fact that prices in the United States are somewhat lower. This the Canadian companies admit but they contend as well that the prices in the United States have been insolvency prices, produced by overproduction and bootlegging to avoid taxes, and that Canadian companies are earning the smallest margins of profit in their history.

In 1931 Canadian companies were largely protected from distress gasoline sales and dumping by reason of a tariff increase made in the fall of 1930 and the application of the dumping clauses of the tariff to value gasoline imports at prices considered fair for duty purposes. That political help has enabled the industry to carry on by the aid of economies without much loss of profits. Now political attack threatens this position and although executives of oil companies appear confident that a close investigation will show profit margins to have been narrow, shareholders will not feel easy until the investigation is ended and the committee reports.

Western Probe Also

On top of the Federal enquiry the Saskatchewan Government decided on February 18 last to "investigate the buying, selling, transportation and storage of petroleum products in the Province of Saskatchewan." One is a Dominion-wide investigation and the other a province-wide one. As Western members of Parliament at Ottawa asked for the Federal investigation it would appear that much of the work done by Dominion and province will be in the nature of duplication. It adds in any case to the political worries of oil companies.

On top of that situation provincial governments have shown a strong tendency from end to end of the Dominion to consider raising the tax of five cents a gallon on gasoline sales to 6, 7 or 8 cents a gallon. Companies have protested that five cents a gallon is itself a very large tax and that a larger tax will lead to a drop in gasoline consumption and to bootlegging of gasoline and other devices to avoid the tax.

Canadian Pacific Seeks Approval on New Issue

From Our Own Correspondent

MONTREAL.—Canadian Pacific Railway Co. proposes to issue additional consolidated debenture stock and to that end will make application to Parliament at this session for approval. No comment is forthcoming from the company, officials saying that details will not be available until the application comes before parliament.

At the end of 1930 the issued consolidated debenture stock, which is perpetual and non-callable and carries a 4 per cent coupon, totalled $398,911,549. Of this amount $107,500,000 has been deposited as collateral against the collateral trust bonds, leaving a net balance of $291,411,549.

Majority in England

Most of this stock has been placed in England, about $219,000,000 having been sold in that market to date. The last issue of the debenture stock was in December, 1930, when the company sold $10,000,000 to the Bank of Montreal to defray the cost of the steamship "Princess Helene" and to acquire bonds of the Manitoba and Northwestern Railway, Northern Alberta Railways Co. and of the Toronto Terminals Railway Co.

There is no authorized amount of the consolidated debenture stock, each additional sale being made after approval has been secured from parliament.

At present the company has issued all of its authorized senior securities with the exception of the $30,000,000 secured note certificates of 1944, of which only $22,289,069 are outstanding. Further it will be recalled that at the last meeting of the shareholders approval was given to the issue of an additional $50,000,000 of ordinary stock in such amounts, on such terms and at such times as the directors may from time to time decide. So far as is publicly known the directors have not issued any more ordinary shares.

EXPORT TRADE OPPORTUNITY OPENS IN U. K.

Vast Market Receptive as Never Before to Canadian Goods

ACTION NEEDED

Major Hahn of Consolidated Industries Adds Voice to Plea That Mfrs. Should Act Now

Trade possibilities in a market which last year imported 4 billion dollars worth of merchandise are just beginning to be realized by Canadian manufacturers anxious to extend their business by building up export trade.

Already a vanguard of officials representing Canadian manufacturing concerns are busy in Great Britain, calling on leading importers and distributors and taking advantage of the valuable connections already established by Canada's trade commissioners in the United Kingdom. These officials carry full lines of samples, are completely informed about prices, and in most cases possess a full knowledge of company policy and are prepared to make definite decisions on behalf of their companies.

Without exception they are unanimous in the belief that Great Britain offers exceptional opportunities for enterprising Canadian manufacturers at the present time, and that those who act immediately will reap the most substantial benefit.

Major Hahn Enthusiastic

Major J. E. Hahn for instance, chairman of Consolidated Industries, Ltd., has just arrived back and is tremendously enthusiastic about the general outlook of the British market from a Canadian manufacturer's view. "There is an extraordinary opportunity there at the present time for any manufacturer who has a definite plan and wants to find an export outlet for his goods," he told The Financial Post this week. "I found the Canadian Chamber of Commerce and the Canadian Trade Commissioners of invaluable assistance in providing leads and introductions, and would strongly urge all Canadian manufacturers who are interested in this market to lose no time in making a personal contact with Great Britain.

"Perhaps the most important single advantage at the present time," he said, "apart from the 10 per cent tariff in favor of Empire countries, is the nation-wide insistence for British or Empire goods. I have never seen anything merchandised so efficiently or followed up so well as the 'Buy British' campaign which is bound to have far-reaching results as far as that valuable market is concerned."

Most Likely Products

Chief considerations in approaching this market as outlined in the current issue of the Commercial Intelligence Journal are (1) the availability of sufficient quantities to ensure a regular and uninterrupted supply of the necessary volume to the United Kingdom, and (2) that the cost of production be sufficiently low to enable the goods to be laid down in U. K. at prices which will compete with foreign countries and in many cases with goods produced in Great Britain itself.

The most likely lines in which Canadian export trade is likely to be stimulated, according to Harrison Watson, Canadian Trade Commissioner, are as follows:

Flour, cereals (including possibly malting barley) cereal foods, apples, pears, concentrated apple juice, canned fruits and vegetables, honey, milkpowder (and to a lesser extent evaporated and condensed milk)

(Continued on page 2, col. 4)

Investor's Index

INDUSTRIALS, UTILITIES, ETC.

Abitibi	13	Dom. Tar	9
Algoma Steel	11	Dodge Mfg.	10
B. A. Oil	11	Dom. Woollens	10
Brazilian Tr.	11	Empire Life	12
Brewing Corp.	9	Huron & Erie	11
Beauharnois	1	Int. H.-E. Sys.	4
B. C. Elec.	5	Intercol. Coal	3
Building Prod.	5	Imperial Oil	5
Bell Tel.	4	Imperial Oil	11
Can. Car	11	Loblaw	11
Can. Sugar	13	Lord Nelson H.	10
Claude Neon	9	Mont. Power	11
Can. Indust.	9	McColl-Front.	10
Can. Bronze	9	Man. Power	4
Can. Nor. Pr.	4	Mont. Loco.	9
Collingwood T.	11	Mont. Exhib.	9
Can. Loco.	15	N. B. Power	5
Can. Steamers	15	N.W. Mutual F.	12
Can. M. Lamp	1	Nor'west. Pr.	4
C. P. R.	1	Penman's	13
Can. H.-Elec.	10	Power Corp.	4
Can. Theatre	10	Quebec Pr.	10
Corporate Steel	5	Stanford's	3
Can Tank Car	5	Sask. Life	12
Div. Stand. Sec.	13	S. Can. Pwr.	11
Dom. Bridge	11	Viau Biscuit	10
Dom. Power	1	Wabasso Cotton	4
Duke-Price	1	Wawanesa	10

MINES AND OILS

Blk. Bear Oil	11	Mining Corp.	16
Can. Pandora	11	Nipissing	16
Dome	16	Nordon	16
Eldorado	16	Reno Gold	16
Falconbridge	16	Royalite Oil	16
Moffatt Hall	11	Siscoe	16
Maple Leaf O.	10	Un. Algoma	16

QUOTATIONS

Bonds	14	Mines	15
Grain	15	Stocks	14

REGULAR DEPARTMENTS

Answers to Enquiries	11
Business	7
Banking	12
Editorial	6
Insurance	12
Mining	16
Pulp and Paper	13
Utilities, Transportation	4

Abitibi Power & Paper Company, Limited

EIGHTEENTH ANNUAL REPORT

For the Fiscal Year Ending December 31, 1931

CONSOLIDATED BALANCE SHEET DECEMBER 31, 1931

ASSETS

CURRENT ASSETS:			
Inventories of pulpwood, paper, pulp, materials and supplies, and expenditures on logging operations		$ 9,492,493.68	
Unexpired insurance, prepaid taxes, etc.		224,875.47	
Customers' accounts		2,944,786.73	
Other accounts receivable and cash deposits on timber limits		405,824.68	
Investment in bonds		1,120,249.88	
Cash on hand and on deposit		1,937,089.91	
		$16,125,320.35	
INVESTMENTS:			
In capital stocks of and advances to other companies, at cost	$7,897,268.05		
Less: Reserve	1,509,500.00		
		6,387,768.05	22,513,088.40
FIXED ASSETS:			
Plant, machinery and equipment, at cost		116,887,716.98	
Lands, timber limits, undeveloped water powers, etc.		52,295,485.38	
			169,183,202.36
			$191,696,290.76

LIABILITIES

CURRENT LIABILITIES:			
Bank loans (secured)		$3,400,000.00	
Current accounts and bills payable		1,493,130.62	
Bond interest accrued		243,394.99	
Dividends payable		79,470.00	
			5,215,995.61
DEFERRED LIABILITIES:			
Purchase money obligation payable over fifteen years		197,479.69	
Purchase money obligation payable in December, 1932		45,000.00	
			242,479.69
OBLIGATION in connection with purchase of General Power & Paper Company Limited (secured)			4,250,000.00
FUNDED DEBT:			
Five per cent First Mortgage Gold Bonds, due 1953:			
Authorized	$75,000,000.00		
Issued and outstanding		49.155.000.00	
Five and one-half per cent First Mortgage Bonds, due 1947, of Provincial Paper Limited			
Authorized	10,000,000.00		
Issued and outstanding		4,900,000.00	
			54,055,000.00
RESERVES:			
Depreciation and depletion		28,607,431.01	
General and contingent		2,159,365.96	
			30,766,796.97
PREFERRED SHARES:			
10,000 shares 7% Cumulative Preferred Stock of $100.00 each. The total authorized issue is 10,000 shares		1,000,000.00	
348,818 shares 6% Cumulative Preferred Stock of $100.00 each, including 792 shares deposited for exchange of shares of The Spanish River Pulp and Paper Mills Limited. The total authorized issue is 500,000 shares		34,881,800.00	
35,000 shares 7% Cumulative Preferred Stock of $100.000 each of Provincial Paper Limited. The total authorized issue is 35,000 shares		3,500,000.00	
			39,381,800.00
COMMON SHARES AND SURPLUS:			
Balance as per annexed statement, represented by 1,088,117 shares without nominal or par value, including 1,891 shares deposited for exchange of shares of subsidiary companies. The total authorized issue is 1,500,000 shares			57,784,218.49
			$191,696,290.76

Common Shares and Surplus represented on the books of the Company and its subsidiaries by Earned Surplus $14,766,978.05, Common Stock Account $18,964,935.43, Capital Surplus $24,052,305.01. Total $57,784,218.49.

Contingent and Contractual Liabilities.

As guarantor of obligations of General Power & Paper Company Limited in connection with its purchase of Thunder Bay Paper Co., Limited and obligation in connection with subscription for shares of Newsprint Bond and Share Company $2,269,200.00

As guarantor of completion of plant of the Ontario Power Service Corporation, Limited.

CONSOLIDATED SURPLUS AND PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDING DECEMBER 31, 1931

Balance at credit as at January 1, 1931			$61,609,365.25
Deduct:			
Special write-down of wood to reduce the inventories to the basis of current values as estimated by the management			3,560,892.36
			58,048,472.89
Profit from operations for the year, after charging wood to manufacture on basis of reduced prices resulting from above adjustment of surplus		$5,199,946.59	
Profit on bonds purchased for Sinking Fund		197,205.24	
		5,397,151.83	
Deduct:			
Provision for depreciation and depletion on the usual basis of production	$1,293,570.65		
Interest on funded debt and other interest	2,801,608.58		
		4,095,179.23	
Profit before Investment Reserve		1,301,972.60	
Deduct:			
Reserve for depreciation of investments		745,500.00	
			556,472.60
			$58,604,945.49
Deduct:			
Dividends on:			
7% Cumulative Preferred Stock (9 months)		52,500.00	
6% Cumulative Preferred Stock (3 months)		523,227.00	
7% Cumulative Preferred Stock of Provincial Paper Limited		245,000.00	
			820,727.00
Balance at credit carried forward			$57,784,218.49

Approved on behalf of the Board,

VICTOR E. MITCHELL, Director. L. R. WILSON, Director.

AUDITORS' REPORT TO THE SHAREHOLDERS:

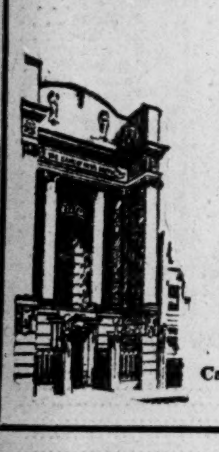
We have examined the books and accounts of the Abitibi Power & Paper Company, Limited and its subsidiary companies for the year ending December 31, 1931, and have obtained all the information and explanations which we have required; and we report that, in our opinion, the above Balance Sheet at December 31, 1931, is properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of the Abitibi Power & Paper Company, Limited and its subsidiary companies, according to the best of our information and the explanations given to us and as shown by the books of the companies.

PRICE, WATERHOUSE & COMPANY,
Auditors.

Toronto, February 19, 1932.

Peninsula Granite Attracts Comment

The black granite from the deposits at Peninsula on the north shore of Lake Superior, are attracting considerable attention and the market for this artistic building material is extending to various new centres of the United States and Canada.



In New York

This Bank has its own office at 49 Wall St., and our Canadian clients will be welcomed there and afforded all possible information and assistance.

THE BANK OF NOVA SCOTIA

Established 1832
Capital, $12,000,000. Reserve, $24,000,000.
Total Assets over $265,000,000

The Nation's Business

(Continued from page 1)

Even the gold standard, the nearest the world ever came to a common monetary measure of value, has been abandoned as an international affair.

* * *

THE world would be better off if tariffs throughout the world were overnight modified by any universally applied reduction. But this ideal or anything usefully approaching it is quite impossible outside the realm of textbooks. Since a world approach to the problem is barred by political difficulties the only successful effort must be by action on the part of closely related groups of nations. A British Empire preferential tariff will be an important beginning in the direction of lower tariffs for other groups. An European customs union might easily follow. Some progress toward pan-American economic unity would be a third useful contribution. In the course of ten years excessive nationalism in tariff making would decline.

Empire preference will benefit the whole world in many respects, not the least of which would be in setting the world a good example and forcing other countries into reciprocal arrangements that would be at least a step in the direction of lower world tariffs.

* * *

A SIMILAR inability to work out a world-wide scheme of cooperation is to be found in the monetary field. Prices of all commodities and therefore the wages and incomes of all producers have been hammered to pieces by the inability of nations to work together in the handling of money problems, to such an extent that a return to the savagery of barter has been suggested in order that the world may start anew to create a monetary system. A world banking system, a world monetary system and world control of credit have been suggested as an ideal that would permit the stabilization of prices, an improvement in the methods of financing consumption and a restoration of the international flow of capital. But only the idealist can visualize the establishment in any brief period of time of an international money market unselfishly handled in the interests of all peoples. The first step in the establishment of an international monetary system is for individual countries to make sure their currency and banking systems are right. The second step is then for related groups of countries to work together. Then these larger groups can be made to co-operate. If the Empire could make the beginnings of such a system for its own constituent countries, international monetary co-operation will become a less distant prospect. There are grave difficult obstacles to be overcome and many dangers in the path even of Empire currency, Empire banking and Empire credit control. But the dangers are there to be dissected and analyzed and should not preclude serious consideration of the possibilities.

The idea should not be entertained by any one that an Empire economically united will be a menace to the rest of the world. Rather, it will be a buttress of strength for the world at large and the first step in a more prosperous world. If Empire countries can find a way to work together for their joint economic advancement, if they can find the point at which nationalism becomes selfishness, they will provide the world with a pattern for a much larger system of co-operation.

* * *

Branch Plants Benefit Canada

AN EMINENT Britisher, speaking in Toronto this week, made a suggestion that is but a reflection of a viewpoint now widely propagandized in Great Britain. His suggestion was, in short, that preferential tariff arrangements between different countries of the Empire should be made to apply only to the products of factories owned and controlled by Empire capital and managed by citizens of the Empire. This means that Britain's preferences would not be extended to Canadian branch plants of American companies; Canada's preferences would not be extended to British branch plants of, say, French or German companies.

The establishment in Britain of large numbers of foreign branch plants wishing to take advantage of the British tariff and Empire preferences has aroused some concern among British industrialists and many of them are already complaining of this "invasion" in terms that leave no doubt whatever of their dislike of the movement.

* * *

IF GREAT BRITAIN had had as much experience with branch plants as Canada has had its citizens would know enough to welcome rather than to worry about industrial plants established by foreign capital.

Industrial development does several things for a nation. It provides employment for workers; it turns raw material resources into tangible wealth; it provides opportunity for executive brains; it provides openings for capital to be invested usefully; it enables a country either to reduce its imports or to increase its exports or to do both, it contributes to tax, railway and professional revenues.

The foreign branch plant does most of these things just as much as the purely domestic industry. It provides employment for home citizens. It uses a large proportion of home resources when these are available. Whether it imports executive brains or employs local citizens is unimportant at the start for no country can lose from importing knowledge and all branch plants in time give opportunity for talent to demonstrate itself. It adds to the favorable balance of trade. It contributes to Government revenues, railway revenues and professional revenues.

* * *

THE only place where a foreign branch plant differs essentially from a purely domestic industry is that it is likely to utilize a larger proportion of foreign capital than the domestic plant.

The arguments against the importation of foreign capital are several. It is contended that it gives the capital-exporting nation political influence in the areas where the capital is invested. But Britain knows that its huge investments in American railways and institutions in the last century gave it no control of the political destinies of the American people. We too know that the inflow of American capital into Canada has not jeopardized our political independence.

It is contended, too, that imported capital displaces home capital and makes it necessary for it to seek less favorable investments abroad. But if home capital will not show the enterprise necessary to erect plants that are needed it cannot expect to be protected against enterprise capital from other countries.

And the third argument is that the profits earned by a branch plant leave the country. The profits of industry are seldom as high as five per cent of the gross production, seldom more than a small fraction of the wage payments alone; they are usually, in successful concerns, about equal to the taxes paid to local governments. Any country may well afford to pay even foreign investors five per cent or so of the wealth created by the investment.

* * *

CANADIANS must be well armed with a thorough understanding of the implications of branch plant development. Our ministers in negotiating trade treaties with Empire countries have often run into the snag of resentment against Canada's large U. S. branch plant development. The objection will probably arise at Ottawa in June. One thing we must make the rest of the Empire realize is that our foreign branch plants have contributed not only to the wealth of Canada but to the wealth of the Empire.

EXPORT TRADE OPPORTUNITY OPENS IN U. K.

(Continued from page 1)

canned salmon, timber, dowels, handles and other woodenware, paper boards of various kinds, wrapping paper, wallboards, rubber footwear, gloves, silk hosiery, metallic office furniture, agricultural machinery, and household electric appliances.

The fact that the present 10 per cent preference for Empire goods is more or less temporary in that it applies in its present form only from March 1 to November 15, should not prove a handicap to Canada, it is pointed out. Indeed the fixing of the 10 per cent rate seems to be less material than the establishment of the principle, according to Mr. Watson, and the bill itself really provides a basis upon which a scientific tariff can be constructed following the deliberations of the Empire Conference in July. In other words it is believed that the future for Empire merchandise in the British market will improve rather than diminish as specific preferences are worked out during 1932.

Mr. Watson's summary of the situation, which is an exceedingly thoughtful and earnest plea to Canada to take advantage of the present situation is, in part, as follows:

"For the moment the outstanding fact from a Canadian point of view is that up to November 15 next the British Government has granted Canada and all Empire countries immunity from the 10 per cent duty which will be levied from March 1 on all goods of foreign origin, with a comparatively short list of exceptions.

"This concession, together with the advantage that Canada can also temporarily import into Great Britain duty free a selected number of manufactured goods, which if produced in foreign countries are called upon to pay a duty of 50 per cent, in any case up to the middle of May, opens up possibilities which deserve the most serious and thorough personal investigation by the Canadian manufacturers and shippers concerned.

"The advantage in competition with United States goods is temporarily enhanced by the present exchange situation. The position, where the 10 per cent duty is alone concerned, is obviously much less favorable in competition with countries like Scandinavia which are also off the gold standard. Indeed, in many instances the duty will probably fail to offset the advantages, natural and otherwise, which many of these competing countries possess in the way of cheaper labor, transportation, and established trade connections.

"Canadian manufacturers who are adequately circumstanced to seriously inaugurate and develop export trade to the United Kingdom upon a regular basis, and have satisfied themselves that the preliminary outlook is promising, can be strongly urged to send over properly equipped representatives to investigate conditions and prospects here."

BEAUHARNOIS AFFAIRS GROW IN COMPLEXITY

(Continued from page 1)

constitute a guarantee, yet constitute a moral guarantee which the Federal Government can hardly sidestep at this juncture.

Mention Montreal Power

Montreal Light, Heat and Power Consold. has been mentioned frequently as being desirous of taking over complete control of Beauharnois, a step which would involve taking care of present bank obligations and financing completion of the project.

This company has maintained an official attitude of not being interested in taking over Beauharnois. On the other hand, it is general knowledge that Montreal Power has a substantial stake in the company through ownership of collateral trust bonds and stock and is even said to have a minority stock control.

Prove Valuable Acquisition

Acquisition of the Beauharnois project would doubtless appeal to Montreal Power. Already it has contracts to take delivery of 250,000 h.p. from Beauharnois. The balance, except for 50,000 h.p., has been sold to Ontario Hydro-Electric Power Commission.

While there would be no particular advantage in Montreal Power taking over the enterprise as a development of 500,000 h.p., it would prove a valuable acquisition in other ways. Even provided that Beauharnois does not get any additional water rights, the economic value of the plant could be greatly increased by diverting the water owned by Cedar Rapids Manufacturing and Power Co. (a Montreal Power subsidiary) through the Beauharnois plant. This would provide for a much larger production than is now possible at Cedars with the same amount of water.

The future of Beauharnois remains obscure at the moment, but it is expected that circumstances will force an official statement setting forth the true position of the company.

RETURN OF CAPACITY OPERATIONS UNLIKELY DURING THIS DECADE

(Continued from page 1)

much closer to the day when it is again operating at capacity.

The point should not be overlooked that no new ratings have been established for some time. Actually the Canadian industry can produce more paper than is shown by present official ratings. In support of this statement it might be mentioned that the Dalhousie Mill of New Brunswick International Paper Co. has a rating of 500 tons daily, while only last month it produced in one day over 600 tons.

Survey of Markets

In respect to further business it is necessary to examine the position of the three principal markets . . . . domestic, United States, and overseas. The latter includes the United Kingdom, South Africa, Argentine, British West Indies, Australia, New Zealand; in fact, all countries outside of the United States.

Canada is a relatively small market, taking about one-tenth of the total production. There has been a steady increase in domestic consumption rising from 95,000 tons in 1919 to 213,000 tons in 1931, and averaging around 200,000 tons during the past four or five years.

The trend of newsprint consumption in the Dominion is shown in the following table:

Canadian Consumption of Newsprint

	Tons		Tons
1919	95,000	1925	120,000
1920	114,000	1926	150,000
1921	99,000	1927	205,000
1922	122,000	1928	174,000
1923	128,000	1929	218,000
1924	134,000	1930	173,000
1931	213,000		

It is to be expected that sales of newsprint in the Canadian market will continue on much the same scale as in the period between 1919 and 1931, namely, an annual increment of around 7,000 tons.

The bulk of Canadian production is shipped to points outside the Dominion. Exports totalled 708,000 tons in 1919. Five years later shipments has increased to 1,219,000 tons and in 1929 to 2,511,000 tons. Shipments last year aggregated 2,008,000 tons. The annual average increase during this period, on the basis of 1930 representing a normal demand has been 125,000 tons.

The manner in which Canadian exports have increased is shown in the following tabular matter:

Canadian Exports of Newsprint

	Tons		Tons
1919	708,000	1925	1,402,000
1920	762,000	1926	1,732,000
1921	709,000	1927	1,882,000
1922	960,000	1928	2,207,000
1923	1,138,000	1929	2,511,000
1924	1,219,000	1930	2,331,000
1931	2,008,000		

This remarkable showing was primarily due to the increasing dependence of the United States publishers upon Canada for their supply of newsprint. The growth might have been more pronounced and the recent decline minimized were it not for the entry of Newfoundland into the newsprint field. The Island dominion has all the advantages and few of the disadvantages of Canada in the manufacture of newsprint. Last year Newfoundland supplied the United States with 159,782 tons of newsprint, or approximately the same amount as imported from all European countries. This is Canada's loss for had it not been for the establishment of the two Newfoundland mills, Canadian operators would have been called upon to supply this tonnage.

United States Market

The United States is the world's principal newsprint market. It requires almost as much as all other countries combined. In the last six years the annual requirement has averaged over 3,500,000 tons. This tonnage between two and three times that purchased in 1913.

Owing to the inability of the American mills to supply the demand on a competitive price basis, publishers and other users of newsprint have to look to foreign sources to make up the difference between domestic production and consumption.

This dependency is well illustrated by examining the records of imports over the last 19 years. In 1913 foreign purchases totalled 220,000 tons. In 1920, 730,000 tons; in 1925, 1,448,000 tons; in 1929, 2,421,000 tons. In 1930, 2,380,000 tons and in 1931, 2,067,000 tons.

Canada Gets Majority

Canadian operators secure the major share of this business. Newfoundland and the European countries share alike in about 300,000 tons. The amount of trade secured by the latter is unimportant in so far as tonnage is concerned. Due to his inability to maintain regular supplies the European operator is at a disadvantage and his competition is only felt in bidding for spot business. Not so with Newfoundland, however, but operators in that country have about reached the maximum in shipments and need not come in for serious consideration in the allocation of future additional business, provided that no new mills are built or present plants expanded.

Prospects For Trade

Consumption of newsprint in the United States from 1913 to date has increased on an average about 109,000 tons annually. The Canadian mills could secure by far the largest share of this additional business. While there are the domestic mills to consider, they are not a serious factor because of their inability to compete on a price basis. There are certain areas where they might be served more advantageously but the large metropolitan areas such as New York, Chicago, Boston, Philadelphia and others will look to Canada for their newsprint supply. Some of this additional business will likely go to European producers, but the percentage will be negligible.

Canada's other principal newsprint outlet . . . . the overseas market . . . . does not present extraordinary opportunities for the placement of additional tonnage. The world-wide tendency to protect home industries and the consequent setting up of tariff barriers, has limited the extent of imports. There is no reason to anticipate any marked change in this policy for years to come, and Canadian operators will have to content themselves with holding business they now have.

Annual Gain 115,000 Tons

It is expected that under normal circumstances there should be an increase in demand for Canadian newsprint amounting to 115,000 tons annually. On the basis of a present surplus machine installation and an increase of 115,000 tons annually in demand, some ten years would elapse before operations are again at capacity. Always provided of course that the rate of capacity remains unchanged.

Factors Affect Growth

There are many factors affecting this estimate, such as the development of new materials for manufacturing newsprint and the expansion of radio and other means of advertising. Radio is a definite threat to the rapid return of prosperity in the newsprint industry. This medium of advertising and news broadcasting has come to the fore with great rapidity. Many millions of dollars which formerly have been used in the purchase of newspaper space have been diverted to the radio, which in turn has not been without its effect on the demand for newsprint.

Offsetting features to the advantage of newsprint are such topical matters as wars, elections, epidemics, world calamities, etc., all of which have a profound bearing on the newsprint sales. A presidential election in the United States, for example, results in added sales of many thousands of tons of Canadian newsprint. These are uncontrollable factors, however, and over a period of years are equalized. The kidnapping of the Lindbergh baby probably provided at least a day's extra work for every newsprint mill in Canada.

Capacity operations may be reached by Canada's newsprint industry before the close of this decade, but present unsettled world conditions hold little hope for this development.

Wear A Hat Labelled

Birkdale

—and you wear a hat that will add a final touch of distinction to your clothes. The Birkdale Derbies, just arrived, are styled in the new Spring shape by one of the better-known firms of English hatters. Come in and try one on! You'll like it! Each $6.00.

Main Floor, Queen Street

T. EATON CO LIMITED
TORONTO CANADA

Strong

With Capital and Reserves of over $74,000,000 and Assets in excess of $750,000,000, the Bank of Montreal, whose always high percentage of liquid reserves is traditional, is an old-established institution of outstanding strength.

BANK OF MONTREAL
Established 1817
OVER 600 BRANCHES IN CANADA

White GOLF SWEATERS

3.50

New! Neat! Good looking! Of pure white all-wool yarns knit in a new mesh weave. Sleeveless, too, a style that's going to be popular with golfers this spring. See them now in the Store for Men.

THE ROBERT SIMPSON COMPANY LIMITED

WHEN REMITTING
SEND
CANADIAN NATIONAL EXPRESS
MONEY ORDERS

Algoma

A reputation— as well as a name

Algoma Steel Corporation
Limited
Sault St. Marie, Ont.

General Sales Office:
MONTREAL:
730 Canada Cement Building

District Sales Office:
TORONTO:
1206 Northern Ontario Building

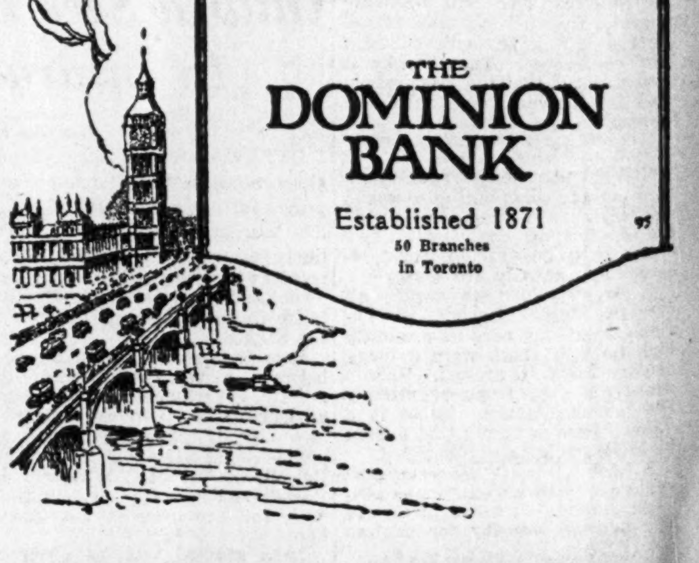
Dominion Foundries & Steel Limited

STEEL PLATE STEEL FORGINGS
STEEL CASTINGS
For Every Purpose
Hamilton Ontario

Foreign Exchange

Our own offices in London, England, and New York—and private wires between Toronto, Montreal and New York—keep us in close daily touch with the world's money markets. We offer prompt service and the best possible rates on Foreign Exchange.

Telegraphic and Cable transfers are given special attention.



THE DOMINION BANK
Established 1871
50 Branches in Toronto

Earnings of Mergers Show Wide Variation

Survey of Over 50 Consolidations Reveals Majority to Have Earnings Well Below Promoters' Anticipations

By JOHN E. LANGDON

Article Four in Study of Merger Movement in Canada

Promoters are visionaries and, above all, optimists. This is borne out by examination of the financial records of some of our Canadian mergers. A survey reveals a superabundance of optimism respecting the earning power of the newly consolidated enterprises—an optimism which is not always substantiated by results.

The past two years have been critical ones for all corporations, but more particularly the newly fledged consolidations. The now famous expression, "Economies to be put in force," has not always been realized. This has not been altogether the fault of the management, because, in some instances, the promoters or investment bankers promised more than could be fulfilled by a management, no matter how experienced. On top of these glowing promises, the succession of setbacks in the business life of the Dominion of late has sharply curtailed earning power — a curtailment which, in several cases, has resulted in a receivership.

Adjoining this article will be found a table setting forth the financial returns of over 50 Canadian mergers. In each case, the previous or estimated earnings of the consolidation are given. Then follows earnings during the first year of the merger and, for comparative purposes, the last reported.

Work Out Average

It might be argued reasonably that earnings last reported cover a period of abnormal conditions and do not fairly represent the earning abilities of the concern in question. In order to present a fair picture, the earnings of each company have been averaged on an annual basis since the year of formation. Comparison, therefore, of the earnings in the first, second and fourth columns, brings to light a number of interesting and highly informative findings.

A Disappointing Record

Briefly, of the 52 consolidations listed, whose age ranges from two to 21 years, 28 are not now paying dividends of any kind on their capital stock.

Less than half a dozen have a continuous unbroken dividend record;

Nine have gone into receivership, been reorganized or had capital readjustments:

And what is even more interesting, 28 of the 52 consolidations have, during their term of existence, averaged smaller annual earnings than reported by the constituent companies in the year prior to the merger, or estimated by the promoters for the first year's operations.

Fall Below Estimate

Examining the list alphabetically, the first record of note is that of Amalgamated Electric Corporation. Formed in 1929, the component parts in the prior year had earnings, after depreciation and taxes, of $176,272. The first annual statement of the merger showed an income on the same basis of $113,164, but in the last year, there was a deficit of $94,737. The annual average earnings of this consolidation since 1929 have totalled $14,695 after depreciation and taxes.

Next on the list is Asbestos Corp. which started off in 1925 with an estimated annual net for dividends of $600,740. It came close to that mark in the first year of operations. The lack of the best management in this case may have had something to do with the fact that in 1930 there was a loss of $1,229,002 after bond interest: Also that at the beginning of 1932 a plan of reorganization was submitted to bondholders and stockholders alike—a plan involving heavy losses.

Some Do Well

Agnew Surpass Shoes and Associated Breweries of Canada have, on the average, done better than originally estimated.

Building Products is another company that has developed a sound earning power.

Belding Corticelli—a 1911 merger—started off its corporate history with net earnings of $134,470. In the intervening 21 years it has had average annual earnings of $256,016, compared with $267,342 in the last report.

Catelli-Macaroni Products estimate of earnings in the first year of operation would appear to have been drawn up on a very liberal basis. Estimated net earnings of $300,000 did not materialize. The first statement, covering 15 months, shows earnings of $187,742. The last annual financial report registered earnings of about one-twentieth of the original estimate, while the annual average to date has been less than 25 per cent of $300,000.

Two in Receivership

Clarke, Howe, Waters and Knight Bros. came into being in 1929 with estimated net earnings of $80,074. An assignment to creditors was made on September 18, 1931.

Canada Paving and Supply, formed in 1928, has already gone into receivership. The estimated or prior net earnings were $463,590, but the last statement showed profits of $149,908, while the average was only $178,812.

A 23-Year Record

It is interesting to note in examining the financial record of Canada Steamship Lines, a 1913 merger, that the first year of operations resulted in a loss of $18,299, while those for 1930 resulted in another loss of $1,310,462. The average net profit for the period was $859,575, or a sum short of paying dividends on the present amount of outstanding preferred stock.

The Classic Example

Probably the classic example of Canadian promotional efforts is that of Canadian Departmental Stores which came into being in 1927. This effort brought together some 21 departmental stores in Ontario and Quebec. It was estimated that the consolidated enterprise would have earnings of $1,000,000 a year. It never had time to establish an earning power, for it went into receivership in 1928 and later the assets were sold to the T. Eaton Co.

Records Above Average

All Canadian mergers, of course, have not had such an earnings record. Some have done better than the promoters originally estimated, while others have not been far off what had been anticipated. Consolidated Oka Sand and Gravel Canada Melting, Canada Packers, Canada Vinegars, Canada Wire and Cable, Canadian Bronze, Canadian Wirebound Boxes, Dairy Corp. of Canada, International Paints (Canada), McColl-Frontenac Oil Co., National Sewer Pipe, Photo-Engravers, Viau Biscuit, are some of the mergers which have had satisfactory records to date.

Records Below Average

Turning back to the consolidations which have not come up to original expectations, we find Dominion Bakeries, which started off with estimated earnings of $65,000, and with an annual average to date of only $21,615.

Federal Grain is another company whose earnings have been somewhat disappointing. The original estimate of $1,491,108 has yet to be realized, the annual average since formation being only $361,477.

When Optimism Ruled

Outstanding is the case of General Steel Wares. This merger came into being in 1927 and the official prospectus estimated earnings at $1,328,903. The company has had extreme fluctuations in earnings since that time and the average annual returns show an average deficit of $60,061.

At the other extreme is the record of Montreal Light, Heat and Power. In the year prior to the merger in 1916, the constituent companies had net earnings for dividends of $2,468,010. The first year's operations of the new company showed earnings on the same basis of $3,588,724 while the average annual net to date is $6,106,944.

Cause for Thought

One Canadian merger which has not turned out well for investors is Sin-Mac Lines, formed in 1928. The estimate of earnings was $256,119. The returns for the first year of operation were roughly $100,000 under that mark, while the last report showed a deficit after depreciation of $128,940. The company is now in receivership.

The grain elevator mergers in Western Canada have not stood up well to date. Federal Grain came into being in 1929 with estimated earnings of $1,491,108. It had a loss of $66,444 in the first year, while the annual average since formation is $361,477, or roughly one quarter of the original estimate. Reliance Grain has had a better record, still the annual average earnings since formation are $447,943 compared with the original figure of $681,223.

Time Reveals Mergers' Qualities

Name of Company	Formed	Prior or Estimated Earnings	First Year Earnings	Last Year Earnings	Annual Average Since Formation	Remarks
Agnew-Surpass Shoes	1929	$ 129,210 (16)	$ 159,408 (16)	$ 147,985 (16)	$ 163,855	
Amalgamated Electric Corp.	1929	176,272 (16)	113,164 (16)	94,737 (20)	14,695	Pass all dividends.
Asbestos Corp.	1925	600,740 (13)	596,673 (13, 3)	1,229,002 (7)	103,758	Under reorganization.
Associated Brew. of Canada	1928	379,468	836,683	524,427	680,550	Cut dividend from $1 to 60c.
Associated Quality Canners	1928	207,365	298,636	52,744	204,254	Pass all dividends.
Belding Corticelli	1911	......	134,470 (10)	267,342 (10)	256,016	
British Columbia Packers	1928	455,807 (1)	1,285,999	897,377 (1)	340,966	Pass all dividends.
Building Products	1925	89,206 (4)	210,000 (4)	263,820 (4)	321,144	
Cape Breton Electric	1902	......	79,742	159,438	120,770	Assets sold at Public Auction in 1931, following default of interest and inability to renew franchise.
Catelli Macaroni Products	1928	300,000 (4)	187,742 (5)	15,675	70,848	Pass all dividends.
Clarke, Howe, Waters & Knight	1929	80,074 (10)	59,741 (10)	......	......	Assignment made Sept. 18, 1931.
Consol. Oka Sand and Gravel	1928	190,338 (17)	202,883	127,201	162,781	
Cosmos Imperial Mills	1926	274,158 (10)	112,606 (11, 10)	83,039 (11)	171,862	No dividends paid on common.
Canada Malting	1927	372,281 (16)	386,666 (16)	300,714 (16)	343,235	
Canada Packers	1927	497,041 (9)	1,028,697 (10)	838,112 (10)	1,230,545	
Canada Paving & Supply	1928	463,590 (3)	207,717	149,908	178,812	Receivership.
Canada Power & Paper	1928	7,465,741	5,376,585	6,184,955	6,722,088	Reorganized in 1931. Capital scaled down.
Canada Steamship Lines	1913	......	18,299 (7)	1,310,462 (7)	859,575	Pass preferred dividend in 1930; no common dividends since 1920. Capital changes.
Canada Vinegars	1928	190,275 (10)	194,528 (10)	168,675 (10)	178,848	
Canada Wire & Cable	1911	766,252 (15)	970,726 (15)	334,149 (15)	681,206	Public financing in April, 1929; Pass B stock dividend in 1932.
Canadian Bakeries	1925	250,000 (16)	245,928 (16)	15,293 (16)	186,634	Pass all dividends.
Canadian Bronze Co.	1927	291,673 (13)	494,945 (13)	198,377 (13)	368,528	
Canadian Car and Foundry	1909	......	832,530 (10)	561,433 (10)	969,000	Loss reported in 4 years; common dividends 7 years; preferred dividend omitted during 4 years.
Canadian Departmental Stores	1927	1,000,000	......	......	......	Receivership in 1928.
Canadian Wirebound Boxes	1928	250,000 (4)	243,231 (4)	143,331 (4)	202,528	
Dairy Corp. of Canada	1929	80,000 (10)	122,301 (10)	70,345 (10)	96,323	No common dividends to date.
Dominion Bakeries	1928	65,000	90,378	57,375 (1)	21,615	Pass all dividends.
Dominion Tar & Chemical	1929	1,036,779 (4)	1,169,811 (4)	778,933 (4)	1,043,349	
Dominion Woollens & Worsteds	1928	468,632	601,437	112,277	259,844	Pass all dividends.
Dufferin Paving & Supply	1929	484,262 (4)	388,593 (4)	230,169 (4)	309,381	
Eastern Dairies	1926	173,570 (13)	249,129 (13)	444,926 (13)	337,952	
Enamel and Heating Products	1929	102,099 (4)	112,210 (6)	31,527	71,866	Pass all dividends.
Federal Grain	1929	1,491,108	66,444 (1)	789,399	361,477	Pass all dividends.
Firstbrook Boxes	1928	157,442 (4)	54,985 (4)	52,464 (4)	59,618	Pass all dividends.
General Steel Wares	1927	1,328,903	1,483,008	12,538	(60,061 deficit)	Pass all dividends
Gypsum, Lime & Alabastine	1927	557,701 (21)	750,410 (21)	503,483 (21)	747,482	Pass all dividends.
Hayes Wheels & Forgings	1927	315,677 (16)	225,006 (16)	162,237 (8)	177,208	No dividends being paid.
Hiram Walker-Gooderham Worts	1927	1,524,416 (19)	3,442,378 (4)	2,757,164 (4)	3,439,070	In 1929 stock split 3 for 1; in 1932 reduced to former basis.
Inter-City Baking Co.	1927	212,919	317,495	316,254	307,108	
International Paints (Canada)	1928	119,472	205,732	65,875	145,993	Pass all dividends.
International Power Co.	1926	486,685 (13)	432,004 (13)	563,763 (13)	541,509	Pass preferred dividends.
McColl-Frontenac Oil Co.	1927	1,200,000 (13)	1,126,058 (13)	1,191,984 (13)	1,250,004	
Montreal Light, Heat & Power	1916	2,468,010 (13)	3,588,724 (13)	9,766,921 (13)	6,106,944	
Moore Corp.	1928	1,096,985	1,613,766	1,274,001	1,433,883	
National Sewer Pipe	1928	267,457 (4)	294,465 (4)	179,285 (4)	229,726	
Nova Scotia Shipping Co.	1928	34,388	......	27,934	26,075	Controlled by Eastern Canada Coastal S. S. Co.
Photo-Engravers	1927	93,763 (4)	105,922 (4)	95,575 (4)	102,112	
Reliance Grain	1927	681,223 (4)	733,712 (4)	302,140 (4)	447,943	$202,000 dep. arbitrarily set up in 1930.
Sin-Mac Lines	1928	256,119	153,571 (4)	128,940 (8)	12,315	Receivership.
Standard Paving & Materials	1929	680,000	805,988	631,874	718,931	Pass all dividends.
Viau Biscuit	1925	273,722	192,460	218,784	233,222	
Wentworth Radio	1928	50,636 (4)	51,328 (4)	47,481 (1)	21,276	No dividends being paid.

(1) Loss; (3) 11 months; (4) after depreciation; (5) 15 months; (6) 21 months; (7) loss, including bond interest; (8) loss after depreciation; (9) Gross for Wm. Davies, Harris Abattoir and Gunns; (10) net; (11) 6 months; (13) net for dividends; (15) net after depreciation—1st year's returns cover 11 months parent company and 12 months subsidiary; (16) net after depreciation and taxes; (17) 10 months operating profit; (19) Hiram Walker Ltd. only; (20) loss, after depreciation and taxes; (21) after depreciation and bank interest.

Note:—Where no notation follows, figures represent net operating income. Every care has been taken to see that figures are accurate, but they are not guaranteed.

INTERCOLONIAL COAL OPERATES AT LOSS IN 1931

Investment Income Covers Preferred Dividends Before Deficit

From Our Own Correspondent

MONTREAL.—Reflecting difficult conditions in the Nova Scotia coal industry, operations of Intercolonial Coal Co. in 1931 resulted in a loss of $4,999, compared with a profit of $18,704 in the previous year and a profit of $66,716 in 1929. Income from investments at $21,150 was maintained but payment of preferred and common dividends resulted in a deficit for the year of $16,501. In 1930 the deficit was $9,904.

Dividends on the common were paid at the rate of 1½ per cent as contrasted with 3 per cent in the preceding year. Preferred dividend needs of $16,512 were lower reflecting redemption of shares; it is interesting to note that income from investments which comprise $417,680 of Dominion of Canada bonds was sufficient to cover preferred dividends, before the operating deficit.

In his report to shareholders, Preble MacIntosh, president of the company, states that output for the year was 131,167 tons against 150,172 tons in 1930. He expresses the opinion that if the Nova Scotian Government, as it is hoped, decides to give effect to the Duncan report, it may afford some relief to the company.

Profit and Loss Figures

Following are comparative figures on profit and loss for the past two years:

	1931	1930
Operating profit	*$4,999	$18,704
Income from invest.	21,150	21,199
Income tax	1,140	2,777
Net profit	15,011	37,224
Preferred divds.	16,512	17,128
Common divds.	15,000	30,000
Surplus for year	*16,501	*9,904
Add: Prev. surplus	†423,286	433,884
Balance forward	406,785	423,980

*Deficit

†Adjusted for additional 1930 income tax.

Amalgamated Electric Directors

From Our Own Correspondent

MONTREAL. — Amalgamated Electric Corp. announce the election to the board of directors of C. R. McKenzie, replacing W. I. Banfield, of Toronto, who has resigned.

Join London and Western Trust Board

HAROLD F. RITCHIE

SIGMUND SAMUEL

Recently elected to the directorate of London & Western Trust Co. Mr. Ritchie is president of International Proprietaries, Ltd., of Toronto, and Mr. Samuel president of Samuel, Son & Co., importers, of Toronto.

TOBACCO NEEDS REGISTER SLUMP DURING JANUARY

Consumption of Cigarettes Falls Away Heavily for Month

From Our Own Correspondent

MONTREAL.—Cigarette manufacturers in Canada have not got away to a good start this year, judging by the government returns on cigarettes entered for consumption. During January last 278,416,630 cigarettes were entered. This is a decline of about 91,000,000 from the previous month and a little over 41,000,000 from the same month last year.

The decline in the number of cigarettes entered for consumption in January is partially a reflection of the lessened demand following the Christmas and New Year trade, but it is noted that the percentage decline is more pronounced than in other years.

Other Lines Improve

There is a moderate improvement in other items. The amount of cut tobacco entered for consumption in January last was 1,144,298 pounds, compared with 1,057,507 pounds for the same month last year.

Plug tobacco entered in the first month this year was 382,000 pounds, or roughly 14,000 pounds more than for January, 1931.

Despite the decline in cigarette consumption, the number of cigars entered in January, 1932, was 7,595,920. This compares with 7,259,572 for the same month last year.

In the anticipation of a lessened demand for tobacco products, foreign raw leaf entered for consumption in January, 1932, was 1,063,412 pounds, as against 1,288,600 pounds for January, 1931.

TOTAL POPULATION IS NOW 10,374,196

Final Census Figures Show Gain Over 1921 of 18 Per Cent

Final census figures, just issued by the instructions of the Minister of Trade and Commerce show the total population of Canada as 10,374,196, at which a gain of 18.04 per cent is registered over the figure recorded by the 1921 census. The preliminary total issued was 10,353,778.

British Columbia showed the biggest gain of all provinces with a 32 1/3 per cent increase. Alberta, Saskatchewan and Quebec followed, all having increases of over 20 per cent. Ontario's gain was just short of 17 per cent.

Numerically, the heaviest increases were recorded by Quebec and Ontario, with gains of 513,056 and 498,021 respectively. Decreases were shown by Nova Scotia, Prince Edward Island and the Northwest Territories.

Population of Canada—1931
Final Figures

Provinces:	1931	1930	Incr. %
P. E. I.	88,038	88,615	-0.65
Nova Scotia	512,846	523,837	-2.09
New Brunswick	408,219	387,876	5.24
Quebec	2,874,255	2,361,199	21.72
Ontario	3,431,683	2,933,662	16.98
Manitoba	700,139	610,118	14.75
Saskatchewan	921,785	757,510	21.68
Alberta	731,605	588,454	24.34
Brit. Columbia	694,263	524,582	32.34
Yukon	4,230	4,157	1.76
N. W. Terr.	7,138	7,988	-10.70
Canada	10,374,196	8,788,483	18.04

January Butter Record Set in Saskatchewan

Butter production by Saskatchewan creameries during January exceeded the million-pound mark for the first January record. The total of 1,049,641 pounds showed an increase of 17.3 per cent over the corresponding month of 1931, when the make totalled 894,187 pounds.

The greatest increase is reported by plants in the central section of the province while, contrary to what might be expected, the lowest percentage increase is reported by the northern section.

◆ ◆ ◆ ◆ ◆ ◆ ◆ ◆ ◆ ◆ ◆ ◆

"A Suggestion to Gentlemen"

When you next order a suit, ask your Merchant Tailor to show you

FISHERFLEX

FISHERFABRICS

All the Year Round Cloths

and RAYOSO

the perfect cloth for summer

These trade names are stamped on the selvedge.

◆

Quality and Style are unquestioned. Supplied to the Tailoring Trade by a House which has catered to the best-dressed men in Canada since 1866.

◆

MARK FISHER SONS & CO., LIMITED

MONTREAL - TORONTO
WINNIPEG - VANCOUVER

STANFORD'S UNITS SOLD TO BUYWELL FOOD MARKETS

New Company Buys Shops of Bankrupt Chain Store System

From Our Own Correspondent

MONTREAL. — Buywell Food Markets is the name of a new company which has purchased the seven remaining stores of Stanford's, Ltd., bankrupt chain store company formerly operating ten meat markets in Montreal. M. Zahler, one time vice-president of Consolidated Food Products, is president of the new company which has a capital structure comprising 1,490 shares of no par value.

Stanford's went into bankruptcy in September, 1931. In succeeding months three stores were disposed of to private purchasers but efforts to sell the company's real estate holdings valued around $175,000 were unsuccessful. Buywell Food Markets has now purchased the remaining seven stores; it is understood that the trustee still retains the real estate.

Price Not Disclosed

The price received by the trustee of Stanford's for the sale of the stores has not been disclosed but it is understood that outlook for shareholders is still gloomy. A recent report on the situation stated that the banks held a lien of $132,000 against the real estate owned so even in the event of a successful sale there would be little left for creditors.

It is stated that Buywell Food Markets will operate six of its newly acquired stores under its own name but the main unit on Mansfield Street will continue to be operated under the old Stanford name.

Further expansion in the future is anticipated though operating policies are presently under consideration. C. Burns, president of Dominion Square Corp., is named vice-president of Buywell Food Markets.

Send B. C. Shingles to Ontario

A trainload of 32 cars of British Columbia shingles, part of an order for 34 cars, representing 7,000,000 shingles, or enough to roof over 400 average dwellings left recently for Eastern Ontario. This is taken to indicate a renewal of demand for shingles and lumber generally in Eastern Canada.

Announcement

We take pleasure in announcing that

Gordon T. Gayford

has become associated with this firm as manager of the

Bond Trading Department

H. R. Bain & Company

LIMITED

Investment Bankers

350 BAY STREET TORONTO

WE ARE PREPARED—

to execute orders for cash or on margin, in sound listed stocks and bonds, or to lend money on the security thereof.

Write us for investment suggestions.

JOHNSTON AND WARD

60 King St. West, Toronto
Royal Bank Building, Montreal
Members: Montreal Stock Exchange, Montreal Curb Market

Thoroughly Efficient

Let us serve you and your family.

Crown Trust Company

WILLIAM I. GEAR - - - *President*
ARTHUR LYMAN - - *Vice-President*
F. G. DANIELS - - *Vice-President*
IRVING P. REXFORD - - *Gen. Manager*

St. James Street Montreal

CANADA NORTHERN POWER CORPORATION, LIMITED

AND SUBSIDIARIES

President: A. J. NESBITT
Vice-President: JAS. B. WOODYATT
Vice-President and General Manager: B. V. HARRISON

Directors:
J. H. BLACK F. O. BLACKWELL B. V. HARRISON DAN. MCLACHLIN
Maj.-Gen. The Hon. S. C. MEWBURN, C.M.G. A. J. NESBITT
P. A. THOMSON N. A. TIMMINS JAS. B. WOODYATT

Secretary: L. C. HASKELL Treasurer: CHAS. JOHNSTONE
Assistant Secretary-Treasurer: H. A. SEYMOUR

CONSOLIDATED ANNUAL STATEMENT

Years Ending December 31st

ASSETS

	1931	1930
Plant Investment	$33,864,097.02	$33,687,921.05
Cash on Hand and in Bank	26,575.52	36,495.27
Call Loans	65,297.44	....
Accounts Receivable	348,003.47	362,430.48
Materials and Supplies	284,106.11	243,915.06
Mortgages Receivable	1,500.00	5,100.00
Deferred Charges	135,809.31	107,835.47
	$34,725,388.87	$34,443,697.33

LIABILITIES To the Public:	1931	1930
Funded Debt	$17,000,000.00	$17,000,000.00
Notes Payable	....	27,164.78
Accounts Payable and Accrued Liabilities	284,206.85	438,945.14
Dividends of Subsidiaries payable Jan. 1932	24,888.00	25,624.75
Preferred Dividend payable 15th Jan. 1932	96,250.00	96,250.00
Common Dividend payable 25th Jan. 1932	75,000.00	56,250.00
Customers' Deposits with Interest Accrued	109,884.40	103,650.63
Bond Interest Accrued	141,666.68	141,666.68
	$17,731,895.93	$17,889,551.98

To the Public Shareholders of Subsidiaries:

	1931	1930
Capital Stock—		
Preferred	$1,466,000.00	$1,515,100.00
Common	267,866.82	267,913.13
Minority Interest in Profit & Loss	18,166.28	19,972.79
To the Shareholders—Canada Northern Power Corporation, Limited:		
Capital Stock—		
Preferred (7% Cum. $100 each) Callable at 110 and accrued dividend after 60 days' notice.		
Authorized.......— 75,000 shares.		
Issued and Outstanding........— 55,000 shares.	5,500,000.00	5,500,000.00
Common (No Par Value)		
Authorized.......—500,000 shares.		
Issued and Outstanding........—375,000 shares.	1,848,796.00	1,848,796.00
Reserves:		
Depreciation	6,323,882.46	5,888,286.91
Miscellaneous	119,004.50	120,178.60
Paid in by Subscribers to Capital Stock	110,182.02	33,539.59
Profit and Loss	1,339,594.86	1,360,358.33
	$34,725,388.87	$34,443,697.33

REVENUE ACCOUNT
For Year Ending December 31st, 1931

Gross Earnings		$3,341,963.91
Expenses	$1,061,859.77	
Interest (including U.S. Exchange thereon)	902,302.10	
Bad Debts	9,031.30	
Balance	1,368,770.74	
	$3,341,963.91	$3,341,963.91

PROFIT AND LOSS ACCOUNT

Balance at Credit 31st December, 1930		$1,360,358.33
Deduct—Prior Year Adjustments	$ 5,169.97	
Minority Interest Adjustment in previous Profit and Loss	167.18	5,337.15
		$1,355,021.18
Earnings for the year ended 31st Dec., 1931		1,368,770.74
Minority Interest of Subsidiary in Annual Profit and Loss		1,973.69
Dividends on Preferred Stock of Subsidiary Company	89,581.50	
Dividends on Common Stock of Subsidiary Company	11,589.25	
Dividends on Preferred Stock	385,000.00	
Dividends on Common Stock	300,000.00	
Depreciation	600,000.00	
Balance at Credit 31st December, 1931	1,339,594.86	
	$2,725,765.61	$2,725,765.61

Approved on behalf of the Board: A. J. NESBITT, JAS. B. WOODYATT } Directors.

Audited and certified in accordance with our certificate dated Feb. 26th, 1932.
(Signed) P. S. ROSS & SONS,
Chartered Accountants.

5000 FACTS ABOUT CANADA

1932 edition now ready. The Dominion in a Nutshell.
By Frank Yeigh.
50 Chapters of Crisp Canadian Facts
Send 35 cents for copy or $1 for 3 to 588 Huron St., Toronto

ENVELOPES

MACHINE OR HAND MADE
PRINTED OR PLAIN

TORONTO ENVELOPE CO., LTD.
366 ADELAIDE ST., WEST
TORONTO 2

Licensed by the Dominion Government and Registered Under the Quebec, Ontario, Manitoba, Saskatchewan, Alberta, and British Columbia Insurance Acts

THE WAWANESA MUTUAL INSURANCE Company

CANADA'S LARGEST FIRE MUTUAL

FIRE WINDSTORM SPRINKLER LEAKAGE AUTOMOBILE

FINANCIAL STATEMENT for year ending 31st December, 1931

ASSETS		LIABILITIES	
Cash on Hand or Bank	$ 79,075.83	Reserve for Unearned Premiums	$ 499,079.52
Bonds, Mortgages, etc.	942,938.15	Losses Unadjusted	84,536.27
Premium Notes Unassessed	1,690,994.70	Accounts Payable	11,580.79
Assessments Unpaid 1931	178,525.70	Reserve for Taxes	9,575.06
Assessments Unpaid 1930	95,585.88	SURPLUS	2,638,423.53
Agents' Balances	94,406.47		
Accrued Interest	26,734.06		
Reinsurance and Acc'ts Receivable	32,450.19		
Real Estate, Office Equipment, Autos, etc.	102,484.19		
	$3,243,195.17		$3,243,195.17

Certified correct, C. D. CORBOULD, C.A.

Total Reserves for protection of Policy Holders, $3,137,503.05.
Business written in 1931—over $110,000,000.
Total Insurance in force $229,016,982—an increase in 1931 of $35,581,182.

ABSOLUTE SECURITY BROADEST POLICY LOWEST COST

Head Office: WAWANESA, MANITOBA

BRANCH OFFICES:—
Owen Sound, Ont....Sydenham Mutual Branch
Toronto, Ont................2 Toronto Street
Vancouver, B.C.....312 Metropolitan Building
Montreal, P.Q............225 Hospital Street

Utilities and Transportation

CANADA NORTHERN IMPROVES STATUS DURING PAST YEAR

Earnings on Common Stock Register Advance in 1931

From Our Own Correspondent

MONTREAL.—Premium on American funds for bond interest payments cut into stock earnings of Canada Northern Power Corp., which reported profits of 75 cents a share on the outstanding common stock in 1931 as against 71 cents in the preceding year.

Gross earnings during the year totalled $3,341,964, an increase over the preceding year when $3,181,504 was reported. After the payment of all charges, including common dividends, there was a small deficit of $17,400. The balance sheet position, on the other hand, shows strengthening, the working capital deficit being reduced from $246,711 in 1930 to $7,913 in 1931.

Details of Income

Details of the profit and loss account follow:

	1931 $	1930 $
Gross earnings	3,341,964	3,181,504
Expenses	1,061,860	1,021,027
Net earnings	2,280,104	2,160,477
Less: Bad debts	9,031	7,940
Interest	902,302	810,769
Pfd. divd. sub.	89,581	90,750
Com. divd. sub.	11,589	11,914
Min. int. surplus ..	......	646
Depreciation	600,000	600,000
Net profits	667,600	638,458
Less: Pfd. divd.	385,000	385,000
Com. divd.	300,000	225,000
Surplus	*17,400	28,458
Br't. forward	†1,355,021	†1,331,900
Add: Min. loss	1,973	......
Carried forward	1,339,594	1,360,358

*Deficit.
†Adjusted.

Surveys 1931 Operations

In his statement to the shareholders, A. J. Nesbitt, president, had the following to say, in part:

"A 12,000-volt feeder has also been constructed from Noranda substation to the property of Granada Gold Mines, Limited, in Rouyn Township, Quebec.

"The transmission line serving the northern section of the Township of Lebel, known as the Bidgood Line has been extended to McTavish Lake to provide power for the new pumping station, installed by the municipality of the Township of Teck for the purpose of increasing the water supply of the mines and domestic users of Kirkland Lake.

"In the Porcupine area a 12,000,-volt feeder has been built from our Schumacher substation to the property of La Roche Mines in Delora township.

"At Noranda substation additional transformer capacity has been provided by the installation of three 2,000 kv.a. transformers and at Kirkland Lake the substation known as No. 3 was rebuilt, and all equipment brought up to a high state of efficiency.

New Mine Customers

"Among the mines added to our list of customers during the year are Macassa Mines, Bidgood Consolidated Mines and Kirkland Townsite Mines in the Kirkland Lake district, and in the Noranda-Rouyn region the Aldermac Mines have completed the construction of a 500-ton sulphite mill, the product of which is utilized in the paper industry. Other new power users who have executed contracts for the supply of electricity are Mining Corporation of Canada for their Matachewan operations, Granada Gold Mines at Rouyn, and La Roche Mines at Porcupine. In May, last, the electors of the Township of Bucke approved a by-law granting the company a renewal, for a term of ten years, of the franchise held in that township."

International Hydro Pay Dividend in Cash

From Our Own Correspondent

MONTREAL.—International Hydro-Electric System continued the recently-instituted policy of paying cash dividends to the Class "A" stockholders, unless stock is specifically requested. The Class "A" stock carries a dividend of one-fiftieth of a share of Class "A" stock for each share held, or the shareholders have the option of taking in lieu of stock, cash at the rate of 50 cents for each share held. Under present market conditions the option to take the Class "A" dividend in cash is worth over twice the immediate value of the dividend in stock.

Wabasso Cotton Operates Plant On Full Time

From Our Own Correspondent

MONTREAL.—It is encouraging for Wabasso Cotton Co. that its subsidiary Shawinigan Cotton Co., is working full time, day and night, at its plant at Shawinigan Falls. The company manufactures cotton yarns and knit goods; investment interest is confined to $792,500 of first mortgage bonds since 97 per cent of the common stock is owned by the parent company.

Earnings of Wabasso Cotton Co. for the six months ended December 31, 1931, or the first half of its current fiscal year, were reported to compare less favorably with those of the same period in the preceding year. Demand for cotton textiles has been fairly brisk in recent months, reflecting the depleted condition of dealers stocks.

In the last fiscal period ended June 30, 1931, operations of the company and its subsidiaries resulted in a profit of $448,213 compared with $415,818 in the previous year and $81,950 in the year before that. Earnings last year were sufficient to cover all charges and leave a margin equal to 5 cents a share on the common stock.

CANADIAN PACIFIC GRAIN MARKETINGS REGISTER ADVANCE

Western Lines Report February Movement Ahead of Last Year

From Our Own Correspondent

MONTREAL.—Canadian Pacific Railway reports grain marketing over its western lines in February this year as being 20 per cent greater than for the corresponding month of 1931.

During the past month 7,031,000 bushels of all grains were marketed on the company's lines. Most of the deliveries to country points are credited to Alberta, there being approximately 70 per cent originating in that province. During February last year marketings totalled 5,851,000 bushels of all grains.

Accumulative totals from August 1, 1931, show 101,834,000 bushels of wheat and 17,501,000 bushels of other grains, or a total of 119,335,000 bushels of all grains delivered to elevators along the lines of the Canadian Pacific in the West during the present crop year, sixty per cent of which was produced in Alberta with the movement particularly heavy from the northern sections of that province.

Move Over 56,000 Cars

From August 1 to February 29, a gross total of 56,443 cars all grains were loaded on Western Lines. The figures show that 18,346 cars moved west to the port of Vancouver, with the balance of 38,097 cars sent east to the Head of the Lakes and milling points. The westbound movement is still fairly good with the eastward movement comparatively light, but it is expected that the east movement will improve toward the opening of navigation.

Stocks in store at country elevators are fairly heavy, there being approximately 42,000,000 bushels in country houses available for shipment over Canadian Pacific lines. Total stocks on C. P. R. lines represent about 52 per cent of the total stocks in Western Canadian country elevators.

Farmers along the lines of the Canadian Pacific still hold approximately 30,000,000 bushels all grains for shipment, about 23,000,000 bushels being wheat. These items are exclusive of feed, seed and other farm requirements.

From Vancouver 44,693,468 bushels have been exported since August 1, of which 7,398,927 bushels moved out during the month of February. It is expected that exports for March will reach the 10,000,000 bushels mark.

Manitoba Power Co. January Net Higher

From Our Own Correspondent

MONTREAL.—Manitoba Power Co. reports an increase in net earnings for January of $25,687. Gross income during the month totalled $139,-569, an increase of $33,556 over the same month last year. There was a gain in expenses of $7,869 to $31,598, but net operating income for January last totalled $101,976 as against $76,-289 in January, 1931.

Canada Northern Power Corporation

INCREASES in net earnings, power output and number of customers served in 1931 give distinction to the annual report just issued by this important utility company.

- Net earnings for past year were equivalent to over 2½ times bond interest requirements.
- We recommend the Company's 5% Bonds, due 1953, which may be purchased now to yield 6.75%.

Send for particulars

NESBITT, THOMSON
and Company Limited
355 St. James Street West, MONTREAL
Quebec Ottawa Toronto Hamilton London, Ont.
Winnipeg Saskatoon Calgary Victoria Vancouver

37

CONSOLIDATED UTILITIES EARN PROFIT IN 1931

Municipal Service Successor Issues Initial Statement

From Our Own Correspondent

MONTREAL.—The first financial statement to be issued by Consolidated Utilities, a concern which represents the reorganization of Municipal Service Corp., reveals a net profit and surplus of $2,663 for 1931. The report shows that various properties owned by the predecessor company have been disposed of; assets now comprise a flour and feed mill at Huntingdon and a water works and electric light plant at Amos, Que.

Municipal Service Corp. went into bankruptcy in 1929. Utilities were owned at Ste. Adele, Val Morin, Saranac Lake and Shawbridge, including those retained by the new company. The former properties have been sold, and the report for 1931 indicates that the Huntingdon and Amos companies have succeeded in operating at small profit.

Balance Sheet Position

Balance sheet reveals a working capital of $25,888 comprising current assets of $36,379 and current liabilities of $10,491. Current assets include cash at $189; accounts receivable, less reserve, at $11,420, and notes receivable of $6,228, of which $5,621 is pledged as security for bank loans. Inventories total $18,525.

Fixed assets are carried at $331,-341. These comprise Amos water works and electric light plant valued at $248,017, including depreciation reserve of $1,593. Huntingdon plant at book value less depreciation reserve of $803, is carried at $80,641. The balance of assets include transportation and sundry equipment. Franchise right and goodwill total $43,434 and organization expense stands at $1.069.

Mortgage Huntingdon Property

In liabilities, bank loans total $4,000, and other loans amount to $1,200. Accounts payable are $2,-817 and accrued bond and other interest totals $1.861. There is a mortgage on the Huntingdon property of $10,000 and first mortgage bonds of Amos Water and Power Co., due 1933, total $75,000.

The balance sheet gives effect to the capital reorganization effected. There are issued 7,662, $2.50 non-cumulative preferred shares of par value $40 of an authorized issue of 8,000 shares. Common shares of no par value are outstanding to the extent of 7,662 shares also and are carried at a book value of $1 a share. In addition there are 5 management shares issued of no par value; these are carried at $25 a share.

Holders of bonds of Municipal Service Corp. were given the present securities on the basis of 20 preferred shares and 20 common shares for each $1,000 bond held. The old capital structure comprised $500,000 6 per cent bonds, $50,500 of 7 per cent preferred and 25,000 shares of no par value. The common stock sold as high as 17 on the Montreal Curb market in 1928.

NORTHWESTERN POWER AWAITS ACTION ON BONDS

Grace on Technical Default Lapses at End of Month

From Our Own Correspondent

MONTREAL.—No further action has been taken by the Northwestern Power Co., subsidiary of Winnipeg Electric, in connection with the technical default in the payment of its bond interest at the beginning of January. It will be recalled that the trust deed covering this mortgage provides for the payment of interest in United States gold. Due largely to insufficient earnings, the company decided to make payment in Canadian funds. This action brought criticism from the American holders of the bonds and there is talk of forming a protective committee.

As is usually the case where a default occurs in carrying out the provisions of the trust deed, Northwestern Power has until the end of this month to make good the payment of interest in American funds. If this is not done, the bondholders might have recourse to the courts in demanding that Winnipeg Electric make good its guarantee of principal and interest on these bonds.

Difference of Opinion

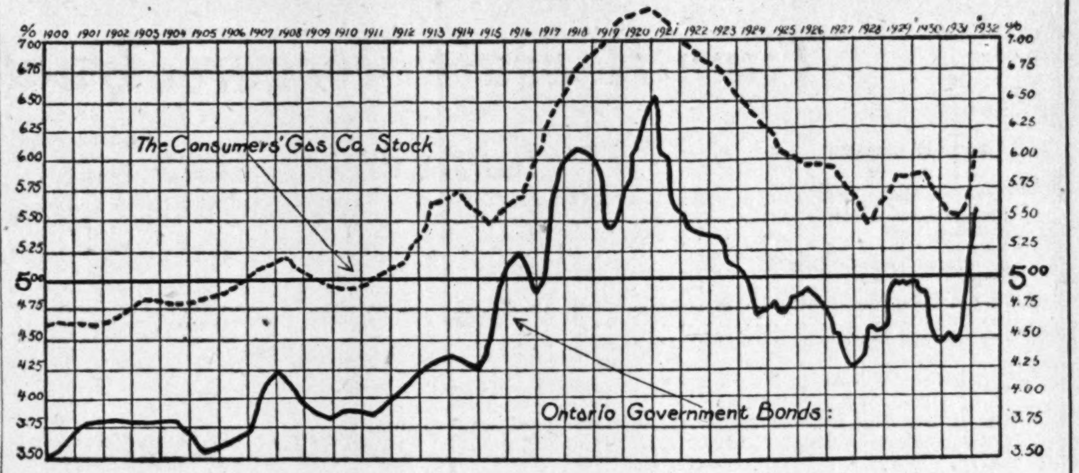
There is a difference of opinion, however, in respect to the advisability of forcing the company to pay in American funds. Conditions are abnormal and the following viewpoint of an American bondholder, expressed in a letter to one of the underwriters of the issue, illustrates an interesting viewpoint on the exchange problem and corporate affairs in general:

"I represent two clients who are small holders of these securities. I am sending you our viewpoint as it is that of the small bondholder and may be helpful.

"It seems to us that the condition which has arisen here cannot be in any way chargeable to the lack of foresight on the part of the borrower. Assuming good faith on his part, we sincerely hope that nothing more will be done except to accept payment in Canadian funds under protest. It would be very unfortunate if the demand for the balance of this interest were pressed upon them in these abnormal times, bringing about possible embarrassment and court action.

"It has been our misfortune to just go through a court procedure on some bonds and to observe the lavishness with which the court is inclined to allow the bondholders' committee and the counsel to compensate themselves. This particular four million dollar bond issue, handled through a reputable court and by distinguished counsel, netted around $900,000 gross. The learned court allowed the attorneys of the bondholders $500,000 for fees and expenses of a few months' work. We bondholders finally got nine cents on the dollar. God save us and all your clients from any unnecessary services of bondholders' protective committee, counsel, and court costs."

Consumers' Gas Stock Parallels Government Bonds



This chart, prepared by Osler & Hammond, members of the Toronto Stock Exchange, shows how the yield on the stock of The Consumers' Gas Company of Toronto has closely paralleled the yield on government bonds for many years. The Consumers' Gas Company has been paying dividends regularly since its incorporation in 1848 and the present rate of 10 per cent has been maintained since 1874. The company is selling $1,250,000 of its stock by tenders to be received up to March 17. The purpose of the issue is to retire bank loans incurred in connection with extensions of mains and plant improvements and to provide for extensions necessary in the present year. The government-bond yield in the above chart is taken from figures issued by the Dominion Bureau of Statistics while the line showing the yield on the gas stock is taken from average official prices on the Toronto Stock Exchange.

Winnipeg Hydro Reports Deficit of $300,000 for '31

From Our Own Correspondent

WINNIPEG.—Accounts of the Winnipeg City Hydro, when finally presented for the year 1932, will show a deficit of $312,000 according to announcement made by the manager, J. G. Glassco. This will be the third deficit to be shown by the Hydro in its twenty years of operation. In 1913 there was a deficit of $83,000 and in 1921 one of $27,277. With these exceptions, surpluses have been recorded to a total of $1,994,124, the highest being that of 1929, when $288,838 was recorded.

In making the announcement Mr. Glassco declared that there was no cause for alarm, and that it had been anticipated for some years that such a deficit would occur in the first year when the system had to bear the full burden of the fixed charges for the new Slave Falls plant, before increased demand should have caught up with the increase in production of power. The situation has been aggravated by the business depression, entirely eliminating the growth which was formerly experienced in the demand for electricity from industrial firms, the loss of which is only partly compensated for by the increase in domestic business.

Accounts when presented to the Public Utility Committee of the city council showed the results of the past year as a net profit of $138,302; the difference being mainly accounted for by charging against surplus the year's carrying charges on the Slave-falls plant amounting to $242,857. That, together with the payment of $150,000 to the city as special taxes reduced the surplus from $814,056 where it stood at the end of 1930, to $37,822 at the end of 1931.

Bell Telephone Sales by Employees Increase

From Our Own Correspondent

MONTREAL.—Sales by employees of the Bell Telephone Co. of Canada in 1931 totalled $76,546, or the equivalent of 4.77 sales per employee. This compares with sales of 1.65 per employee in the preceding year.

The total yearly revenue value of these sales in 1931 was $709,745. This revenue originated by departments as follows: plant, $285,008; traffic, $297,234; commercial, $103,086; accounting and all others, $24,417.

Excellent results are being achieved in reducing the number of disconnections. During January, 1932, the eastern division received 3,987 requests for disconnections, but 844 of the subscribers were induced to continue the service. In the western division requests received totalled 4,911, of which 1,388 were saved.

Power Corp. Defers Plan to Supply Gas to Regina

From Our Own Correspondent

REGINA.—By consent of both parties, negotiations between the city of Regina and Power Corporation of Canada for the installation of a system for distribution of natural gas, to be brought from the State of Montana, have been suspended. They had reached a stage where there was practical agreement between the city and the company on all important points, but it seemed evident that there was no object in carrying the contract to the point of submitting it to the ratepayers for ratification at a time when general conditions would make impossible the public financing of such a project.

MAN. TELEPHONES REVENUE FALLS OFF

From Our Own Correspondent

WINNIPEG. — Annual report of Manitoba Government Telephones for year to November 30, 1931, showed net earnings of $65,426 compared with $185,303 for the previous year.

Reduction in number of telephone services is shown. In Winnipeg 661 business telephones were disconnected and 1,374 residence telephones. In the rest of the province the loss amounted to 2,691 stations, 1,570 of these being farm telephones. The report outlines efforts to maintain the number of connected stations at as high a figure as possible, including reductions in charges of approximately 20 per cent, and the carrying of accounts for certain periods when there seemed reasonable hope of ultimate collection.

Burden of the rural system on the city is shown. Number of telephones in Winnipeg is given at 49,185, with total expense of $1,960,432 and revenue of $2,488,119, leaving profit of $527,687. Lines outside of Winnipeg produced revenue of $1,092,199 against expense of $1,541,460, resulting in a loss of $449.261.

Radio department was operated at a profit.

Total investment of the province in the telephone system is $21,842,609. Replacement and other reserves total $7,156,872, mainly invested in securities, while there has been appropriated for sinking fund purposes $956,-791, and $873,000 of replacement reserves have been invested in new plant. Expenditures for new capital requirements are now being made from replacement reserves, by which means it is hoped to avoid further borrowing on the part of the provincial government.

Canadian Government and High-Grade Municipal Bonds

Our Monthly Review and Bond List includes offerings of a wide range of Canadian government and high-grade municipal bonds. Factors affecting the outlook in security markets are reviewed. We shall be pleased to forward copy on request.

"There is no better investment than Canadian government and high-grade municipal bonds"

Wood, Gundy & Company
Limited
Toronto Montreal Winnipeg
Vancouver New York London, Eng.

Growing With Toronto for 84 Years

NOTHING INTERFERES with the growth of Metropolitan Toronto and nothing prevents the steady expansion of The Consumers' Gas Company. Long since has disappeared the gas lamp, although illumination with gas was almost the sole purpose of the company started those eighty-four years ago.

The company has not suffered by the change in lighting methods. Other heating agencies have been introduced of late years, yet the consumption of gas has grown more rapidly in these later years than in any other period.

Gas is more than holding its own in the domestic field and from week to week new uses are developed for it in the realm of industry. For hundreds of purposes gas is the most efficient, economical and reliable fuel.

The Consumers' Gas Company of Toronto functions under a special charter granted by the Ontario legislature. Its future is assured by the provisions of that charter and by the future of Toronto. The company is permitted to expand in the environs of the city where are actual and potential domestic and industrial markets. Rates are authorized by statute which enable it to maintain its system in a high state of efficiency and its dividend at the rate which has prevailed for 57 years.

For many years the company's standing among investors has been of the highest; its stock has always commanded a substantial premium in the market, and with the public when treasury stock is offered to finance expansion made necessary by the growth of an ever greater Toronto.

THE CONSUMERS' GAS COMPANY
OF TORONTO

Consult Our Industrial Department Regarding Your Problems

News of Investment Markets

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY - CANADA

Black & Armstrong
Real Estate, Valuations, Rentals, Farm Lands, Mortgages and Insurance.
200 Toronto General Trusts Bldg.,
Winnipeg, Manitoba

INDUSTRIAL ACCEPTANCE CORPORATION Limited
Commercial and Industrial Bankers
Head Office—Windsor, Ontario

INVESTMENT SECURITIES
T. M. BELL & COMPANY LIMITED
Head Office:
SAINT JOHN, N.B.
Moncton Fredericton

INVESTORS' CHRONICLE
6d Established 1860 6d
Has the Largest Net Sales of any Weekly Financial Newspaper in Great Britain.
Under the head of "OVERSEAS FINANCE," a weekly feature, the Foreign Exchanges and the factors that affect them are carefully reviewed by cable and mail.
Special Correspondents at all Financial Centres at Home and Abroad.
Signed articles appear in each issue on Economic Subjects.
A free specimen copy will be forwarded on post-card application to:—
THE PUBLISHER,
INVESTORS' CHRONICLE,
20, BISHOPSGATE,
LONDON, E.C. 2, ENG.

Municipal Bond News
FOR over forty years this organization has been devoting its efforts exclusively to the publication of accurate State and municipal bond news. Not "flash" items or rumors, but carefully prepared news covering all the technical requirements of the municipal market have been responsible for its recognition as "The Authority on Municipal Bonds." It is, therefore, the logical medium for municipal bond sale advertising.
Daily and Weekly Editions.
THE BOND BUYER
Since 1891
"The Authority on Municipal Bonds"
67 Pearl Street New York, N.Y.

Capital: $1,000,000
Complete Trust Service
covering
Wills and Trusts
Mortgage Loans
Real Estate and Investment
Registrar and Transfer Agents
Safety Deposit Vaults
THE
EASTERN TRUST COMPANY
Head Office — Halifax, N. S.
Saint John, N.B. St. John's, Nfld.
Charlottetown, P.E.I.
MONTREAL
212 St. James Street W.

CANADA PERMANENT MORTGAGE CORPORATION
Quarterly Dividend
Notice is hereby given that a Dividend of THREE PER CENT. for the current quarter, being at the rate of TWELVE PER CENT. PER ANNUM on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable
FRIDAY, THE FIRST DAY OF APRIL
next, to Shareholders of record at the close of business on the Fifteenth day of March, 1932.
By order of the Board.
WALTER F. WATKINS, Secretary.
Toronto, February 17th, 1932.

INDUSTRIAL CHEMISTRY
IS THE APPLICATION OF THE SCIENCE OF CHEMISTRY TO MANUFACTURING. THERE IS NO MYSTERY ABOUT IT. IT IS ONLY SCIENCE PLUS THE ABILITY TO USE AND APPLY SCIENCE.
MILTON HERSEY COMPANY, LIMITED
INDUSTRIAL CHEMISTS AND ENGINEERS
MONTREAL - WINNIPEG

SASKATCHEWAN BONDS OFFERED TO YIELD 6½ P. C.

Winnipeg Issue Sold Quickly on 6.35 p.c. Yield Basis

Offering of $4,000,000 Saskatchewan 6 per cent sinking fund 20-year debentures due March 15, 1952, at 94.45 to yield 6½ per cent follows closely on the sale of Winnipeg 6's offered to yield 6.35 per cent. As in the case of offerings of previous weeks, the Winnipeg bonds were readily over-subscribed by dealers; quickly taken up by investors including a fair institutional demand. The comparatively high yields prevailing on new issues has been a strong incentive to placing of investment funds and there is little doubt that the Saskatchewan bonds will be placed rapidly.

The Saskatchewan issue is exempt from municipal and school taxes in Saskatchewan as well as Saskatchewan taxes and succession duties, and is therefore particularly attractive to residents of the province. Similar provision was also made for the Alberta bonds offered the previous week and which were readily sold.

Bond Prices Improve

Continued improvement in bond prices reflects the good demand for high grade bonds which is coming to a large extent from private investors. Institutional buying has shown an increase but still remains largely a matter of trading. Institutions have been taking their losses on Canadian National Service bonds and profiting by premiums commanded by recent provincial and municipal issues.

With Saskatchewan financed, Manitoba, Quebec and Nova Scotia are the only remaining provinces which have not entered the market. Manitoba's financing is understood to be awaiting legislative action. Quebec does not appear to be a prospective borrower unless prices improve still further. There is no definite information of Toronto's entering the market but this is to be expected within the next two weeks. Other municipal borrowers, large and small, may be expected in greater volume in the next month or so.

Saskatchewan bonds are selling at the same yield as those of British Columbia and Alberta. Measures of economy have been taken; will be taken. It is expected to balance the budget in the next fiscal year. Reductions in expenditures in both current and capital account will serve to increase the security behind the bonds of the province and give investors greater confidence. Greater confidence is an important item in any market and should have its effect on the price level, other factors being equal.

Holding Firm May Take Over Arnold Firm

Arrangements have been practically completed for the consolidation under one roof of the affairs of Consolidated Food Products and Arnold Bros. Bondholders of Arnold Bros. are meeting this week to consider a modification of the trust deed to the extent needed in the event of the merger being finally effective. It is understood that the new company will go under the name of "Stop and Shop, Ltd."

The plans, which are not ready for announcement as yet, it is expected, will entail a complete revision of the Class "A" and common stock in line with realities as made evident by business experience in the last two years. New shares will be given for the old shares.

Consolidated Food Products was formed in 1928 to acquire common shares of Arnold Bros. and Pure Food Stores. All but 820 shares of Arnold Bros were obtained.

Regina Board Shows Enterprise

Regina board of trade last year published and distributed a directory of manufacturing firms in that city with an alphabetical list of their products to support a "Buy Made-in-Regina Products" campaign promoted by the board.

Building Products Installs Last of New Equipment

From Our Own Correspondent

MONTREAL. — Building Products has completed installation of equipment for the manufacture of asphalt floor tiles and asphalt shingles at its Hamilton plant; expermental runs are being made and commercial production will be commenced within a few days. A new siding, simulating brick, for use on the side walls of old buildings, will also be manufactured within the next three weeks.

The company's extension programme, therefore, has been completed and with these added lines to be placed on the market this year officials anticipate satisfactory results especially if there is an improvement in building activity.

The slackness in the building trades is finding some reflection in current sales. To date there has been a reduction compared with last year but this is said to be due largely to a change in sales policy whereby certain discounts in the early months of the year, now eliminated, formerly tended to stimulate output in that period.

Manufacture of Insul-Board is now definitely concentrated at the company's Portneuf mill. In 1928 Building Products, in conjunction with Canada Power and Paper Corp., organized National Forest Products to make Insul-Board at Canada Power's Port Alfred mill. In 1931, however, Forest Products was wound up and re-opening of the Port Alfred mill by Consolidated Paper Corp. will have no bearing on activity at Portneuf.

Earnings of Buildings Products in 1931 at $263,820 were sufficient to cover all charges; common share earnings were $2.18 contrasted with $2.70 in 1930. A dividend of $2 a share is maintained on the common shares which comprise the sole securities outstanding.

CANADIAN TANK CAR NEGOTIATES WITH U. S. FIRM

Agreement Likely With General American Tank Car

From Our Own Correspondent

MONTREAL.—Though no agreement has been entered into, negotiations have advanced to a point where a thorough understanding exists between the Canadian Tank Car Co. and General American Tank Car Co. in respect to a proposal whereby the former will take over the latter's Canadian operations. Expectations are that the negotiations will be successfully concluded, at which time more details will be made available.

Canadian Tank Car Co. was formed a short time ago by Canadian Car and Foundry Co. and announced exclusively in The Financial Post. A charter was taken out giving the company power to build, lease and sell tank cars. It is the plan to lease cars to customers desirous of using tank cars on a flat rate per mile basis and, where possible, to take over cars operated by private companies. At the beginning of November last 25 tank cars were under construction in the shops of the parent company.

As originally conceived it was planned to take over all tank cars used in this country, more particularly those of the railways and oil companies. Negotiations are still in progress with the railway companies and may likely result in an agreement. The oil companies have been approached, but to date no definite progress has been made in this direction.

Imperial Oil Buys Domestic Service

Domestic Service Stations, which has been operating 25 stations in Toronto and vicinity, has been acquired by Imperial Oil.

No change is being made in the personnel of the various stations but in future they will carry Imperial Oil products and market them under the Imperial Oil name.

Reports current that other small companies operating service stations have been acquired by Imperial Oil are denied authoritatively.

NEW BRUNSWICK POWER DEFERS STOCK DIVIDEND

First Preferred is Now 26 Per Cent in Arrears

From Our Own Correspondent

MONTREAL.—New Brunswick Power Co. has omitted payment of the quarterly dividend of $1 a share due on the first preferred stock on March 1. This leaves the stock 26 per cent in arrears as at that date.

This action by the management would indicate that earnings during the past year were not up to expectations. In the preceding year profits applicable to dividends on capital stock were equivalent to $6.88 a share. Four quarterly payments of $1 each were made in 1930 on this stock which carries a fixed cumulative rate of $7 a year.

In 1923 control of New Brunswick Power Co. passed to the Federal Light and Traction Co.

Since the new management took over there has been a steady increase in operating income, advancing from $762,524 in 1924 to $927,649 in 1930, the last reported. Net earnings from operations, together with income from other sources, has also advanced steadily and totalled $280,711 for 1930.

Though ordinary senior charges have shown a tendency to decline, amount owing to the parent company at the end of 1930 totalled $1,678,394, on which the interest charges made heavy inroads into net profits.

Tax Increases Make Gurd's Lower Common Dividends

Announcement was made at the annual meeting of the Charles Gurd Co., by the president, A. McA. Murphy, that the current quarterly rate on the common stock would be 40 cents a share instead of 50 cents as formerly. This places the stock on an annual basis of $1.60 instead of $2 a share.

Increasing taxes are given as the reason for the action of the board. It requested from the management an estimate of the increased taxation expected in 1932 over 1931 as far as could be judged from announcements to date of prospective tax changes by Federal, provincial and civic bodies. The management estimate is that $41,000 must be paid by this company alone to pay extra sales tax, extra provincial tax and other taxes. That amount is equivalent to 60 cents a share on common stock.

The new rate is payable April 1 to shareholders of record March 15.

Approval was given by shareholders to election of Fred C. McCracken as directors in place of R. L. Ellis, resigned.

CORPORATE STEEL LIQUIDATOR NAME BY COURT MARCH 7

Metallic Roofing and Heather & Little Only Solvent Subsidiaries

From Our Own Correspondent

MONTREAL.—With the exception of Metallic Roofing Co. and Heather and Little, two Toronto organizations, which are solvent concerns in active business, all companies included in the structure of Corporate Steel Products, including the parent organization itself, are now in liquidation or receivership. From this common ground efforts are being made to unravel the tangled skein of the company's affairs.

On March 7 the courts in Montreal approved appointment of M. O. Haskell as liquidator for Corporate Steel Products following his appointment as provisional liquidator on February 15. It is understood that both Atlantic Steel Products of Saint John, and Ottawa Sheet Metal Works, two subsidiaries acquired within the past twelve months, are in liquidation, while National Trust Co., is acting as receiver and manager for Western Steel Products, the backbone of the business.

Investment interest is centred in 100,000 no par value of Corporate Steel Products and $2,090,778 of 6 per cent first mortgage bonds and $1,100,000 of 6½ per cent preferred stock of its subsidiary Western Steel Products.

Little Enlightenment Offered

As far as security holders are concerned, the tangle presented by the close inter-relationship of Corporate Steel and its subsidiaries will have to be further straightened out before an announcement can be made.

Corporate Steel Products owns all the George W. Reed Co. shares but National Trust Co., as receiver-manager for Western Steel Products has taken over all the property used or occupied by the Reed Company, including contracts and accounts receivable. Indications are that a legal opinion may have to be obtained on this situation before it can be cleared up.

Must Clear up Debris

One who has closely followed events since the collapse of Corporate Steel Products expresses the opinion that it is impossible to hazard a guess as to the outcome until liquidators have had a chance to get some of the problems straightened out.

It is pointed out that Western Steel Products owns an extensive chain of plants which are being kept intact and that shareholders have a fairly substantial equity. On the other hand, Corporate Steel Products is a holding company and its assets are chiefly composed of subsidiary companies' shares. In the case of Heather & Little it still owes substantial amounts for the shares brought from the principals and the latter will rank as creditors. The company is a good going concern and the only question involved is as to future control. That may be settled in about a week's time.

The plants operated by Western Steel Products are located at Winnipeg, Calgary, Edmonton, Vancouver, Victoria, Regina and Saskatoon. Metallic Roofing Co. of Canada, whose Toronto plants are second in capacity only to Western Steel's main factory at Winnipeg, is a subsidiary. The plant of George W. Reed in Montreal is also owned by Western Steel though Corporate Steel owns common share control of the Reed Company.

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
Cascade Water Power	4½%	1940	†May 1	100
Mt. Royal Tunnel & Term.	*5%	1970	Apr. 15	100
Electrical Develop. of Ontario‡	5%	....	Mar. 23	...

†Or before.
*Called in part.
‡Purchase of bonds ($90,000) for sinking fund.

HEAVY DEFICIT REVEALED BY B. C.

Revenues Fall Below Hopes and Special Expenditures Show Rise

From Our Own Correspondent

VANCOUVER.—In the first nine months of the present fiscal year, which ends March 31 next, the British Columbia government registered a deficit of $4,264,000, according to figures presented in the legislature by Hon. J. W. Jones, minister of finance.

What the deficit for the full year will be was not indicated, but invariably in the past the full deficit has always been larger than the nine-month report would indicate. That is to say, it has always been more than one-third as much again, since the last three months are lean months for revenue and expenditures are relatively heavy. Even if the last three months prove no more difficult than the preceding nine, the year's deficit will be well over five and a half million.

The comptroller-general's report shows a current revenue in the nine months of $16,243,487, or collections at the rate of something over $21,657,000 a year, whereas the government budgeted for this year on an estimated revenue of $28,088,696, which, however, included small capital revenues.

In the nine months the government spent $16,747,553 on current account, making a current deficit of $504,066.

In addition, however, it spent $2,424,410 on capital account out of its income, with capital receipts of $126,226, a deficit on this score of $2,298,184.

On top of that there were the heavy costs of unemployment. The government had to finance $4,000,000 on account of the Federal Government's share of provincial and municipal unemployment works. Its own share of direct relief was $600,000, and it also paid out $1,500,000 to cover its share and the share of municipalities on municipal works. Of this, $750,000 must be paid by the province. It had also to pay $112,000 as its share of the cost of provincial works.

Toronto Assessment is Now $1,067,950,475

Annual statement of the assessment commissioner for Toronto shows total assessment of the city, liable for 1932 taxes, at $1,067,950,475, an increase of $17,745,607 or 1.68 per cent over 1931 assessment. Land is included at $386,679,873, but .667 per cent higher than in 1931; buildings and improvements at $489,707,422 are 3.16 per cent higher; business at $116,728,684 is 4.69 per cent up and income, at $74,834,496, is 6.37 per cent higher. Of the total $70,202,812 is liable for school rates only. The assessable total for Toronto exceeds that of all other Ontario cities combined.

Classification of income assessments shows total number of income taxpayers in 1932 at 20,565 against 21,753 in 1931 while average assessment is down to $3,639 from $3,703. The number of income taxpayers is lower in each bracket with the exceptions of incomes from $20,001 to $25,000 and from $35,001 to $40,000. Of the total, 11,199 are assessed at under $1,000; 3,251 from $1,001 to $2,000 and 1,636 from there to $3,000.

Further Progress Made on Disability Plans

Representatives of six leading Canadian companies met in Toronto this week to draw up plans for a modified disability clause in line with plans reviewed by The Financial Post on February 20. The companies are Confederation, North American, London, Crown, Dominion, and Montreal Life. Some companies had hoped to have this new modified clause by May 1, but it now seems likely that it will not be available till June 1. In the meantime these companies will continue to write disability coverage on the old basis.

Simultaneously with the meeting of the companies mentioned above, representatives of the majority of other companies doing business in Canada met to discuss plans to meet their situation. At present those companies allow only a premium waiver benefit in case of disability and it is understood that the most important result of this conference was approval of a plan to defer operation of this benefit until 6 months after disability in place of the 4 months clause now operative. This will become effective May 1, it is understood.

B. C. Electric Fares Again Under Consideration

From Our Own Correspondent

VANCOUVER.—Reopening of the agreement between the City of Vancouver and the B. C. Electric Railway (B. C. Power Corporation) is being sought by the Vancouver city council.

The council will ask the company to show cause why it should not revert to the original five-cent fare rate as provided under the company's franchise.

After the company makes its reply to the city's notice, a special meeting of the council will consider what action the aldermen will take.

INVESTMENT SECURITIES
The National City Company
Limited
360 St. James St. MONTREAL
320 Bay Street TORONTO
Advisory Board
Sir Charles B. Gordon, G.B.E.
Sir John Aird
W. A. Black
A. J. Brown, K.C.
Wilmot L. Matthews
F. E. Meredith, K.C.
Lt.-Col. Herbert Molson, C.M.G., M.C.
W. N. Tilley, K.C.
The Hon. J. M. Wilson
800

THE
ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
61 Years in Business
Capital $2,000,000—Reserve Fund $3,200,000.
The Company's Debentures are a legal investment for Trust Funds which may also be deposited in the Company's Savings Department.
Money loaned on First Mortgages. *Applications invited.*
JOHN G. RICHTER, *President.* T. H. MAIN, *Manager.*

STEEL TANKS
STORAGE AND PRESSURE
LARGE OR SMALL
VERTICAL AND HORIZONTAL
THE TORONTO IRON WORKS LTD.
HEAD OFFICE: TORONTO ROYAL BANK BLDG.
WORKS: EASTERN AVENUE
MONTREAL: NEW BIRKS BUILDING

DOMINION TEXTILE CO., LIMITED
PRUE
MANUFACTURING
ALL LINES OF WHITE AND GREY COTTONS, PRINTS, SHEETINGS, SHIRTINGS, PILLOW COTTONS, LONG CLOTHS, CAMBRICS, DUCKS, BAGS, TWILLS, DRILLS, QUILTS, BUREAU COVERS, TOWELS AND TOWELLING, YARNS, BLANKETS, RUGS, TWINES, NARROW FABRICS AND NUMEROUS OTHER LINES USED BY MANUFACTURERS IN RUBBER AND OTHER TRADES.
MONTREAL TORONTO WINNIPEG VANCOUVER

Bond Tenders

March 19, Parish of Sainte Therese d'Amos—$125,000, 6 per cent bonds, dated May 1, 1932, redeemable serially from May 1, 1933 to May 1, 1962, payable at Bank Can. Nationale at Montreal, Quebec, and Amos. J. A. Mireault, sec.-treas.

March 12, Timmins Separate Schools, Guaranteed by Ontario—$70,000 4½% 30 installment debentures. Tenders will be considered on March 14. J. A. Walsh, secretary.

GOLDEN ANNIVERSARY
1882 - 1932
The Golden Anniversary of the Rolland Paper Company finds the third and fourth generations of the Rolland family and of its craftsmen still making fine papers in the tradition handed down to them by their fathers.
The ideals of integrity and progress upon which the organization was founded still permeate their methods to-day.
Amongst their comprehensive selection of papers, suited to every business need, Superfine Linen Record, the aristocrat of fine papers, still stands supreme, as it did half a century ago.
ROLLAND GOLDEN ANNIVERSARY PAPERS

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	—Sold To—	Rates	Maturity	Amount	Price	Basis
Winnipeg	Mar.	Wood, Gundy & Co., Bk. of Montreal and Syndicate	6%	1942	*$2,000,000	97.50	6.35%
Chicoutimi, Que.	Feb.	L. G. Beaubien & Co., La Corp. de Prets de Que., Dube, Leblond, Lucien Cote, Lagueux & Darveau	6%	10-ser.	170,000	96	6.90%
Kenogami, R. C. Schools	Feb.	La Corp de Prets de Que.	6%	5-yr.	20,000	95	7.20%
St. Colombe de Sillery	Feb.	La Corp de Prets de Que.	5½%	10-ser.	225,000	95.75	6.50%

*Offering price.

Summary of Week's Annual Reports

A brief analysis of company earnings per annual statements received since last week's issue. Company name in bold type indicates stocks listed in Canada or New York. Net income shown is before preferred dividend, if any. Market prices are at close on Tuesday this week or last sale.

Company	Year end	Net income 1931 $	Net income 1930 $	Common earnings 1931 $	Common earnings 1930 $	Curr: divd. $	Balance car. fwd. 1931 $	Balance car. fwd. 1930 $	Mkt.	Mkt. times earn.	Yield %
Canadian Bronze	Dec. 31	198,377	308,792	1.66	2.87	1.25	470,567	512,387	19	11.4	6.6%
Dominion Tar & Chem.	Dec. 31	358,945	820,972	...	1.70	...	994,000	991,046	4	....	....
Canada Northern Power	Dec. 31	667,600	638,458	0.75	0.71	80c	1,339,594	1,355,021	19½	...	4.1%
Bell Telephone	Dec. 31	5,791,982	5,416,328	7.56	7.26	8	5,768,524	6,090,807	110	14.5	7.3%
Penmans	Dec. 31	145,034	189,262	1.25	1.93	3	1,463,809	1,641,347	33	....	9.1%
Massey Harris	Nov. 30	†4,043,414	†2,247,440	...	...	...	*4,109,765	247,387	4	...	...
Canada Steamships	Dec. 31	†1,310,462	†657,792	...	...	...	*597,268	713,194	2	...	...
International Coal	Dec. 31	15,011	37,224	...	...	1	406,785	423,980	..	...	...
Can. Locomotive	Dec. 31	†325,306	186,563	...	3.33	...	*32,139	290,541	1	...	...

Return of the Chartered Banks of the Dominion of Canada, January 30, 1932

LIABILITIES

NAME OF BANK	Notes in Circulation	Balance Due to Dominion Government	Advances under Finance Act	Balances Due to Provincial Governments	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere	Bal. due to other banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorized	Capital Subscribed	% Last dividend	Loans to Directors and firms of which they are partners*	Average gold and Coin Held	Average Dominion Notes Held	Greatest amount of notes in Circ.
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	33,728,973	19,259,694	....	4,521,706	135,596,194	380,293,732	60,371,894	1,664,753	790,749	8,963,272	193,852	8,106,061	1,738,878	1,091,255	38,000,000	36,000,000	730,321,019	50,000,000	36,000,000	12	3,175,341	27,099,930	54,718,239	36,291,021
Nova Scotia	12,184,577	9,365,455	....	525,242	28,914,817	126,462,576	31,080,075	1,630,818	70,536	1,846,251	164,855	4,446,814	180,774	7,812	24,000,000	12,000,000	252,880,605	15,000,000	12,000,000	16	2,553,153	9,327,998	10,980,554	13,068,432
Toronto	6,064,734	3,022,595	....	1,087,039	22,047,339	64,379,049	....	594,784	162,451	1,263,989	....	873,652	143,723	1,282	9,000,000	6,000,000	114,640,643	10,000,000	6,000,000	12	1,407,472	376,093	8,780,135	6,608,659
Provinciale	3,579,108	3,387,224	....	17,768	4,232,436	33,706,984	....	....	....	40,268	....	23,272	54,939	5,280	1,500,000	4,000,000	50,547,282	5,000,000	4,000,000	9	645,574	268,463	403,082	4,078,966
Commerce	24,460,434	23,450,594	5,000,000	3,420,216	114,828,320	276,757,571	41,420,630	1,934,120	554,092	12,506,976	34,480	12,157,441	....	6,383	30,000,000	30,000,000	576,531,261	50,000,000	20,000,000	12	7,234,706	13,046,000	16,805,000	26,198,199
Royal	30,478,021	15,397,387	30,000,000	6,638,429	131,497,671	266,588,524	160,233,687	1,065,089	293,042	14,263,148	2,716,887	23,470,305	322,708	14,907	35,000,000	35,000,000	752,979,810	50,000,000	35,000,000	12	3,693,885	12,725,659	11,070,437	32,715,461
Dominion	6,213,968	6,539,453	....	617,109	24,946,689	64,493,109	1,820,595	381,702	116,491	952,822	....	1,361,113	351,391	2,526	9,000,000	7,000,000	123,796,973	10,000,000	7,000,000	12	1,751,959	1,026,000	8,322,000	6,518,723
Nationale	8,759,054	6,240,661	8,000,000	1,582,026	18,372,321	83,965,837	1,257,688	1,338,299	29,328	438,998	....	251,349	....	3,887	7,000,000	7,000,000	144,239,451	10,000,000	7,000,000	10	675,326	930,790	1,542,338	10,019,089
Imperial	7,949,635	7,820,372	....	2,168,355	25,498,611	70,888,325	....	1,289,956	247,109	1,190,331	....	441,675	....	210,773	8,000,000	7,000,000	132,705,146	10,000,000	7,000,000	12	223,812	462,800	3,974,516	8,425,370
Barclays (Canada)	254,865	166,940	....	....	1,008,378	742,712	....	50,640	1,414,775	390,482	....	221,653	....	....	500,000	500,000	5,250,448	500,000	500,000	......	....	12,001	92,326	276,270
Total	133,673,369	94,650,375	43,000,000	20,577,890	506,942,776	1,368,278,419	296,184,569	9,950,161	3,678,573	41,856,537	3,110,074	51,353,335	2,792,413	1,344,105	162,000,000	144,500,000	2,883,892,638	210,500,000	144,500,000	......	21,361,228	65,275,734	116,688,627	144,200,190

* And loans for which they are guarantors.

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from other banks in Canada	Due from banks in U.K.	Due from banks elsewhere	Government securities	Canadian municipal British and foreign securities	Railway and other bonds and Stocks	Call loans in Canada	Call loans elsewhere	Other current loans in Canada	Other current Loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank Premises	Letters of Credit	Deposit for note circulation	In central gold reserves	Shares of and loans to controlled companies	Other assets	Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	26,955,633	58,009,151	2,750,175	266,939	19,014,488	1,032	1,268,126	23,239,843	154,073,214	51,646,905	10,934,787	6,479,034	17,595,469	251,866,279	20,580,786	12,576,261	40,616,314	3,071,126	410,762	1,345,654	14,500,000	8,106,061	1,692,109	5,000,000	565,475	80,031	732,645,069
Nova Scotia	9,289,737	9,119,697	866,770	1,574,593	5,557,399	657	407,279	4,157,091	37,288,676	17,124,436	9,380,491	12,652,868	5,584,689	94,518,677	14,556,322	1,233,612	12,759,947	456,653	....	115,043	8,341,995	4,446,814	566,102	1,000,000	2,696,027	101,337	253,796,921
Toronto	367,258	7,537,761	558,880	22,573	4,205,902	....	89,760	635,294	25,305,049	7,047,663	2,444,931	5,547,676	....	49,745,561	....	....	5,195,919	235,487	....	54,890	3,822,871	873,652	297,673	1,630,866	....	....	115,619,673
Provinciale	267,067	462,507	397,475	11,303	1,322,540	1,483,794	3,902	109,268	8,402,362	5,359,883	3,655,766	6,279,665	....	18,083,074	....	....	1,545,249	157,583	439,077	495,010	2,189,387	23,272	198,500	....	....	230,020	51,116,711
Commerce†	12,892,424	21,834,987	1,829,500	1,312,584	15,577,838	13,867	545,838	23,007,872	98,715,863	20,308,223	15,495,875	35,220,311	15,293,206	197,850,993	23,709,374	13,628,743	35,086,770	2,429,525	2,306,736	2,080,786	15,327,553	12,157,441	1,250,000	8,000,000	3,950,154	300,848	580,127,322
Royal‡	12,714,066	22,476,003	2,625,633	10,351,079	15,392,859	516	2,510,150	37,931,948	75,307,635	24,414,160	13,072,727	35,234,946	25,391,597	277,963,023	129,345,987	3,854,024	12,886,279	3,193,834	2,234,764	920,217	17,403,410	23,470,305	1,700,000	2,500,000	5,536,667	491,641	758,923,480
Dominion	1,022,496	6,390,013	717,235	33,399	3,253,536	18	124,477	962,399	20,256,662	4,591,358	2,700,584	12,610,113	1,552,123	55,121,227	1,463,851	....	4,093,652	452,303	59,035	15,416	6,031,649	1,361,113	330,000	1,000,000	....	343,702	124,486,371
Nationale§	921,837	1,236,624	690,190	53,059	3,514,165	211,077	22,147	701,441	23,699,863	7,618,498	3,387,963	9,131,122	....	61,938,243	70,140	9,826,003	11,899,608	247,510	973,491	758,679	5,986,013	251,349	355,283	1,500,000	....	92,430	145,086,743
Imperial	468,404	3,825,250	620,685	16,621	5,235,811	608,664	489,416	1,331,302	24,006,580	6,640,282	181,811	7,882,907	500,000	61,680,302	....	2,323,818	8,780,416	395,303	156,510	507,537	6,310,869	441,675	421,095	950,866	....	156,168	133,932,300
Barclays (Canada)	12,839	215,102	12,845	1,269	120,365	1,407,892	173,713	222,822	502,374	123,438	30,850	136,100	....	1,951,091	....	....	....	47,422	....	....	....	221,653	11,424	....	....	....	5,191,204
Total	64,911,161	131,107,095	11,069,388	13,643,419	73,194,903	3,727,517	5,634,808	92,299,280	467,558,278	144,874,846	61,285,785	131,174,742	65,917,084	1,070,718,470	189,726,460	43,442,461	132,864,154	10,686,746	6,580,375	6,293,232	79,913,747	51,353,335	6,822,186	21,581,732	12,748,323	1,796,177	2,900,925,794

Column No. 26. Of this deposit $10,681,732 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The figures of The Canadian Bank of Commerce (California) are incorporated in the above statement.—Footnote to Canadian Bank of Commerce return.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above statement.—Footnote to Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in above return.—Footnote to Banque Canadienne Nationale return.

THE FINANCIAL POST

Member Audit Bureau of Circulations

President—JOHN BAYNE MACLEAN
Vice-President—HORACE T. HUNTER
Manager—GORDON RUTLEDGE
Editor—FLOYD S. CHALMERS

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and nationa affairs in Canada.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A. B. C inspection.

ADVERTISING RATES

Single Insertion—$3.65 per inch.
Debenture and Dividend Notices—26c. per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE

Canada, United States, Mexico, British Empire, $5.00 per year: all other countries, $6.00.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
143 University Ave., Toronto 2

MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor. GT. BRITAIN, London, The MacLean Co. of Great Brittain, Ltd., 2, 3 and 4 Cockspur St., London, S.W. 1. E. J. Dodd, Director.

THE FINANCIAL POST BUSINESS YEAR BOOK. Yearly, $2.
THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES. Yearly, $2.
THE FINANCIAL POST SURVEY OF MINES. Yearly, $2.
THE FINANCIAL POST RECORD OF PROSPECTUSES. Half yearly, $7 per volume.
THE FINANCIAL POST CORPORATION SERVICE. $20 monthly. Special prices for selected part service.
DIRECTORY OF CANADIAN DIRECTORS AND OFFICIALS. Yearly, $10.

TORONTO, MARCH 12, 1932

THE REAL BEAR RAIDERS

THE current campaign against short-selling of securities has only one sound basis. Short-selling during a panic and particularly toward the end of a bear market probably intensifies the pressure upon securities to a greater extent than is justified by economic conditions. We say probably, because the evidence is not entirely one-sided in that respect, and bear raiding even in a panic market is not without some measure of economic and investment value. The elimination of the so-called weak holder or undermargined shoe-string speculator strengthens the technical position of the market for the rise that must inevitably come. Eventually, every short sale must be covered and this subsequent buying will aid investors who have bought securities outright and are able to carry them through panic periods.

The public has rivetted its attention upon the wrong culprits. J. Taylor Peddie, a British economist, in his new work "The Crisis of the £" makes the statement that every period of deflation has its beginning in a period of inflation. Every bear market in the stocks has its beginning in an unreasoned bull market. The low prices of securities today are in large measure the product of the speculative enthusiasm of 1927-1929. A vast volume of credit, erected not upon tangible wealth but upon the unstable basis of hope and enthusiasm, made it possible to unload on the general public securities beyond their power to digest. The securities were not purchased outright nor at reasonable prices; huge margin accounts and bank borrowings were substituted for cash in the purchase of stocks. The public was investing not its savings but the money it was able to borrow. Millions of people, who thought they were buying securities, were in reality buying merely equities in paper values. Contrary to the expectations of 1929 it could not go on forever and it did not go on.

The real bear raiders are those who engineered the stock inflation that enabled powerful groups to unload securities at ridiculously high prices. A strikingly similar opinion was arrived at by a writer in the New York Annalist who made a comprehensive study of the relation between short selling and security prices. His chief conclusion was this:

> "The effect of bullish operations is generally much worse than that of operations for the decline because there is real danger that overoptimism and the momentum of a large public followng will force prices up to unreasonable levels from which a serious decline is inevitable. It is the operators responsible for the unwarranted advance who are the real cause of the ensuing decline. The real responsibility for the 1929-32 decline in stock prices rests with those who promoted the unwarranted upswing of 1927-29, not with the bear operators. The latter have really helped to reduce the extent of the downward movement.
>
> "It is evidently absurd to attack the bear and pay no attention to the bull operator. If Congress wishes to get at the real cause of the decline in stock prices and of the losses that the public has sustained, let it enquire into the identity of those who engineered the advance of 1927-29."

TORONTO MOTOR SHOW

VISITING automobile manufacturers attending the National Automobile Show at Toronto this week are loud in their praise of the splendid facilities offered by the new Automotive Building at the Canadian National Exhibition grounds. This building is said to be the finest of its kind on this continent and sponsors of this show are to be congratulated on having finally overcome obstacles which have prevented Toronto for several years from holding a really worthwhile spring motor show. Apparently J. L. Stewart, the present general manager of the Canadian Automobile Chamber of Commerce, has been able to accomplish a hitherto impossible feat in bringing rival interests together.

The present show contains the latest offerings of practically every automobile manufacturer selling cars on the Canadian market, and the advantages to a prospective buyer of having the 1932 models on view simultaneously at this very attractive show place, are obvious. A spring show of this type should prove increasingly popular since most motor-car buying is done at this time of the year.

It is sane courage in salesmanship that will bring individual firms and lines of business out of depression, and the fact that Canadian motor manufacturers have been able, in this time of depression, to get a real National Motor Show started in Toronto, is evidence of the fact that they are wide awake.

COOKED UP REPORTS UNWISE AT ANY TIME

CHARTERED accountants who audit the books of the different companies in which investors have placed their money report that constant pressure is being brought to bear upon them to make balance sheets look just a little bit better than present circumstances warrant. In a time of depression, when inventory values decline, when accumulated reserves are used up to meet contingencies that arise, when earnings fall off sharply, the temptation is strong for executives to attempt to make the best showing possible. In the back of their heads is the feeling that present conditions cannot last for long, that the 1929 level of prices and profits will soon be restored and that a little bolstering up now will be absorbed in the years to come. Such a view is very optimistic. There is no certainty at all that the 1929 level of commodity prices will be reached again in this generation. The process of deflation of values and debts to whatever level of prices is ultimately reached—whether above or below this level—must go on. Companies that deflate as quickly as possible and prune their earnings and assets statements to the fullest degree justified by present circumstances are the ones that will put themselves in fighting trim for the return of improved conditions.

As a matter of fact, this is a good time to clean up all outstanding accounts, to write down doubtful values and to admit losses that have been incurred in the past but have not been allowed for. Most investors expect unsatisfactory earnings statements and balance sheets at the present time. Prices of most securities discount conditions worse than they really are. There is, then, no point in attempting to hide adverse situations.

A few of the larger companies are taking advantage of the depression to write down their assets to the limit. It is possible to go to an extreme in this direction but it is better practice than bolstering up in an attempt to make shareholders think the company is tiding over depression better than it really is.

OBSOLESCENCE CREATES BIGGER BUSINESS

THE post-war business boom in the United States, which should be distinguished from the speculative security boom, was based upon two major developments, the translation of the automobile from a luxury to a "household necessity" and the wide-spreading construction programme that filled up the gaps left by the inactivity of the war years. It is now argued that there can be no other big boom in the United States until some new development is found to take the place of automobiles or construction as greater-than-average contributors to business prosperity. The horizon is being scanned for the spark that will ignite the blaze of a new era.

We in Canada may well have more than an academic interest in the search. But isn't the touchstone of industrial prosperity always with us in the factor of obsolescence? Apply it to the automobile industry for instance. At the Canadian Club in Toronto, this week, Sir Dennistoun Burney, Bart., British automobile designer, indicated his opinion that present-day motor cars are already obsolete. He spoke, of course, as the laboratory designer rather than as the manufacturer in contact with working problems and public tastes, but he forecast automobiles designed on more scientific principles than present-day cars, streamlined for instance, and with motors in the rear. Adoption of any striking innovation in the design or equipment of automobiles will render most of the cars now on the road virtually obsolete and open up a vast new market for manufacturers. Most people who bought cars as recently as two years ago are itching to replace them with some of the new models with their silent transmission, free-wheeling, automatic starting, vibrationless engine mountings, long noses and chromium gadgets. The automobile industry has plenty more such purse-openers up its sleeve; trick-taking aces to play for prosperity.

The biggest factor in business today is change, which makes obsolescence as important a factor in selling most of the advertised articles of commerce as it is in selling women's hats.

PUTTING OFF EVIL DAY

THE tax rate for Toronto shows a slight increase this year. Some citizens of the city are satisfied; they expected a big increase. But this is the sort of sunshine that is extracted from cucumbers. Some effort was made to reduce city expenditures but the effort stopped far short of what would have been necessary to reduce the tax rate. Even with an increase in the rate, the city is faced with a practically certain deficit for the year since not one cent was budgetted for premium on New York funds that must be purchased to meet interest and maturity payments in New York and only a small amount for unemployment relief. The city fathers apparently have inside information on the future trend of exchange rates and employment that yet has not been made available to banking and business authorities.

Of course, Toronto is only fooling itself and the action of the city in providing definitely for passing on into 1933 expenditures that will necessarily have to be incurred in 1932 will disappoint those who were somewhat impressed by the earlier businesslike activities of Mayor William J. Stewart in curtailing civic expenses. The city will shortly be approaching Canadian investors to buy its bonds and the knowledge that it is cooking its budget will not help to put over the issue.

DISCRIMINATION IN ECONOMY

WHEN a government starts to economize it gets into trouble with those who feel that the function of a government is to create prosperity by the expenditure of money. And there will, too, be more reasonable protests from those who honestly differ with the government as to the services that should be cut. Already there are outbursts of protest against the very moderate degree of economy that Mr. Bennett has undertaken to inject into Dominion administration.

The Manitoba Free Press remarks that the government is going ahead with a programme of economy that will cost this country $10 for every $1 saved. The Free Press is particularly annoyed by reductions in the appropriations for agricultural research. It goes to some length to demonstrate its opinion that Canadian agriculture will suffer severely from the reductions in the appropriations. The argument of the Free Press is weakened by the fact that it has generally opposed economy in public affairs. It is deeply suspicious of the whole economy campaign, considering it a campaign to hamstring the national railways. Says the Free Press: "Evidently it is the intention of the government to use the financial problem to present the public with two alternatives. Either cripple the National Railways by slashing their expenditures or face national insolvency. The peril, real or imagined, is being paraded before the public on every conceivable occasion."

The Ottawa Citizen says that more injury is being done to Canada by panic economy on parliament hill than anywhere else in the country. It calls the curtailment of government expenditures "economania." Canada, according to the Citizen, is being injured by a new form of madness—enforced privation in the midst of abundance.

There is room for much argument as to the wisdom of the manner in which the axe is being utilized on governmental expenditures throughout the country. Undoubtedly, cuts are being made where they are ill-advised, in order that purely political or social expenditures may continue, but with the general principle of curtailment in governmental costs, the great mass of the people are in thorough agreement.

One of the hardest hit of all groups has been the aviation branch of the civil service. This growing branch of transportation was cut in the estimates from $5,500,000 to $1,750,000, and is therefore bearing no less than 11 per cent of the total saving of $43,000,000 estimated by the government for 1932-33.

This, it is said, means the scrapping of the non-permanent force of instructors who are the backbone of aviation in Canada; serious injury to an industry which has $5,000,000 invested in plant, airports and so forth, and the dissipation of assets which have been carefully and (we believe) rightfully developed at a cost of many millions in the past few years.

It is unfortunate that agricultural research and aviation development should be hit so heavily when unnecessary and wasteful services such as farm loans, government merchant marine, etc., are continued.

EDITORIAL NOTES

When Britain went off the gold standard, world finance rocked. When Britain repaid a large part of its New York loan world confidence was enlarged. London still sounds the keynote in world finance.

* * *

In many newspapers the heavy deficits of the Canadian National Railways are blamed upon world conditions. Public ownership had nothing at all to do with them, it is argued. The truth is that political management of the C. N. R. has made the deficits much larger than the world conditions would have made them.

* * *

Lloyd's Bank (England), in its February review, says: "The cutting out of waste is only common sense, but the heavy reductions in overhead costs so triumphantly announced by the chairmen of some companies in recent years show that it has required adversity to prove that commonplace truth." The remark is not only applicable within Great Britain.

* * *

In future years it will be difficult for the politicians to criticize Bell Telephone's link with American Telephone and Telegraph Company. Bell would have difficulty carrying on its expansion programme now if A. T. & T. had not advanced over $9,000,000 during 1931 and were not continuing advances to enable the company to go ahead with its $15,000,000 expansion programme in 1932.

POST-scripts

THE magic of figures is an expression often used, but seldom appreciated. For example: the other night we went to a neighborhood theatre to see a picture which had been acclaimed as one of the outstanding of the year. One scene showed the leading character making the statement that in a game of dice he had started with $1 and made 14 successive passes. In other words he had gambled on the dice 14 times and each time was successful. As evidence of his success he had bought various articles of relatively small value. If, as he claimed, he let his original stake lie, the money won on 14 passes would have totalled $8,182! This figure may seem a bit exaggerated, but check it for yourself—$1, $2, $4, $8, $16, $32, $64, $128, $256, $512, $1,024, $2,048, $4,096 and $8,182.

But supposing he grumbled on one more throw!

THE writing of advertising directed to the general public is an art in itself. It is always necessary to use simple lucid language. The slightest degree of complexity in language or ambiguity in meaning is bound to lead to trouble as a large American firm discovered the other day. This firm offered a case of Vermouth to the parents of twins born on Christmas day. They received a reply which said: "The baby carriage that you also advertised with your ad has not arrived. I trust it did not slip your mind to send it. If you prefer I can order it and send you the bill."

The request left the company somewhat nonplussed and they turned up the advertisement announcing their offer. There they discovered that they had promised to present "absolutely free, carriage paid, a case of Vermouth."

Just so that there will be no misunderstanding we wish to announce that if one of The Financial Post's advertisements announces "Post Paid" it doesn't mean that a free subscription to this journal will be included.

New Books

"The Bank of England From Within"

Many histories of the Bank of England have been written. Now one is available that tells the story of the bank as revealed by the more intimate internal documents and records of the institution. While such a history is bound to have a much more intense interest for Britishers than for financial observers in other lands "The Bank of England From Within" written by W. Marston Acres, makes a very substantial contribution to our understanding of London's rise as the financial centre of the world. Mr. Acres has stepped outside the simple record just enough to make his material fit into the broad general picture of monetary development.

One is struck, on reading this history, by the many points of resemblance between the present world depression and previous periods of monetary crisis that the Bank of England has successfully met in the past. Each period of trouble, including the currency shortage crisis of 1696, the South Sea Bubble inflation of 1720, the Restriction period of 1797, the post-Napoleonic War restriction period and subsequent panics found the bank able to weather the storm and to give valiant assistance to both the government and other banks in pulling through. With each successful advance came greater prestige and hence greater financial power.

The story is brought up to the year 1900. It was felt by the author that more recent events were too close at hand for discussion with true historical perspective. Mr. Acres believes that material for succeeding volumes to carry the story forward will not be lacking if there is found someone who will in another generation take up the story again. He believes that the bank today is more indispensable to the nation than ever, an opinion that is confirmed by the MacMillan report.

This is not primarily a monetary story. It is more an intimate record of personalities and romantic incidents. There are, for example, chapters on famous frauds and forgeries, on the development of the staff work and concerning the premises. Illustrations are most numerous and the appendices and annotations give the history a particular value for research students.

"The Bank of England From Within, 1594-1900" has been published by the Oxford University Press on behalf of the bank. The two volumes, comprising the story, are published in Canada by Oxford University Press, Toronto at $9.

"Competitive Industry"

In "The Structure of Competitive Industry," E. A. G. Robinson sets forth his conception of the best size of the producing unit. He deals fully with the various phases of the optimum firm, the book being divided into chapters dealing with management, finances, marketing, problems of growth, etc. By the optimum firm, the author means that firm which in existing conditions of technique and organizing ability has the lowest average cost of production per unit. As pointed out in the preface, the theory of economics does not furnish a body of settled conclusions immediately applicable to policy, but in "The Structure of Competitive Industry," the reader will find interesting and informative data which should prove valuable in building up a background for the study of industry.

This is one of the Cambridge economics handbooks, edited by J. M. Keynes and published by the Macmillan Co. of Canada, at a price of $1.40.

"Symposium on Coal"

Coincident with the issuance of the report of the Duncan Commission on the coal industry in Nova Scotia, McGill University issues in book form Proceedings of the Symposium on Fuel and Coal held in October and November last. To any one interested in the subject of coal, this book will be found to contain a mass of interesting and informative material. The addresses were given by nine well-known coal authorities and covered such subjects as origin and distribution of Canadian coal, chemical compositions, gasification, high temperature carbonization, low temperature carbonization, relation of petroleum and its allied products to coal, relation of electricity to coal, and the economic aspects of Canadian coal problems. The book contains some 475 pages, carries an introduction by Sir Arthur Currie, and is replete with graphs and illustrations. This symposium has been prepared under the general editorial direction of Lesslie R. Thomson, professor of fuel engineering, McGill University.

The proceedings are published by McGill University and can be had at a cost of $1.50 on application to the Bursar.

The World at Large

An Occasional Department Discussing World Economic Affairs That Affect Canada

MANY events of world-wide significance have put the reparations and war debts question into the background temporarily. Front pages are occupied with news from China, from the deflation sector in Washington, from the Geneva disarmament conference, from various central bank headquarters and from Hopewell, N.J. Perhaps this situation is constructive. The world decidedly needs a breathing spell in the war debts argument, which was threatening to irritate statesmen and arouse political prejudices to the point where progress in solution of the problem could not be made. War debts are off the front pages. But behind the scenes considerable progress is being made. When the postponed reparations conference is held at Lausanne in June or thereabouts it may turn out that the postponement of the January conference was a step forward.

* * *

THE most important development is the unifying of the European opinion. Earlier articles in this column have stressed the fact that the United States had made up its mind not to go any further in relation to reparations and war debts until the different European countries had made up their minds as to the joint policy they would present. Since then financial conditions in France have gone from bad to worse while in Germany some progress is being made in ameliorating the financial crisis. This has brought the French and the Germans more closely together and provided the background for sensible discussion. Temporary eclipse of the reparations extremist, Laval, in France and the probability of election of the moderates in Germany have advanced negotiations further. It now seems likely that Germany will agree to hand over as reparation payments bonds on its railways. The payment of interest on these bonds would tend to put transportation costs in Germany and France on a more even basis than they would be if the German railways were practically free of debt. France will probably be willing to accept this compromise settlement as the way out.

* * *

IF BY summer there should be any substantial rise in commodity prices following the deflation in the United States, and the probable reduction of central bank rates throughout the world, it would be in order for European countries to assume commitments that are politically impossible now.

Thus, the sequence of events may easily be a compromise between France and Germany, substantial concessions to Germany by all the other countries interested in reparations, a general scaling down of inter-European war debts, followed by a scaling down of debts to the United States. Already, those close to the administration at Washington are paving the way for a process of meeting Europe half-way when Europe makes the first move.

* * *

THE world isn't out of depression yet, but the general world picture is much more hopeful than it was three months ago. The American situation is better, the British are more hopeful even though they may be exaggerating the importance of some of their recent economic developments; France and Germany are in a position to get together; the military junta in Japan is finding increasing resistance at home to its policies; commodity prices have at least ceased to fall at a headlong pace; bond markets are beginning to come back and stocks are stabilized for the time at least.

Substantial progress has been made in clearing the pathway to prosperity and while a world that has been disappointed more than once will hesitate to become over-enthusiastic at least a better tone is abroad.

Other People's Views

On the Ocean Blue

Fort Erie Times-Review.—The Financial Post calculates that the Canadian Government Merchant Marine has cost the taxpayers $100,000,000. That is about $10 per capita.

What have you had for your $10?

We Call It Taxation

Huntingdon (P.Q.) Gleaner: The Russians give all they make above a bare living to the government and call it Communism. We do the same thing and call it taxes.

To Compel Economy

Dundas (Ont.) Star: People generally have had to economize and reduce their expenditures, but their taxes cannot be reduced because of the instalment buying which has been done by councils and governments of previous years. A halt should be called until at least some of these commitments of the past have been paid for, and debenture and interest payments lessened.

"Stop Me If You've Heard This One"

"Do you guarantee results in your nerve treatment?" asked the prospective patient.

Specialist—"I do. Why, a man came to me for nerve treatment, and when I had finished with him he tried to borrow fifty dollars."

For the Business Man

The man who is meeting the demands of today in his business affairs has little time for the management of his personal investments, though they may require more care than ever before.

The experience of over 40 years in the investment field is available to our clients. Recommendations for investment of spare funds or for changes in your present holdings will be made on request.

This service is available at any of our branches

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Vancouver Victoria New York London, Eng.

CHASE & SANBORN'S COFFEE
Canada's favorite for half a century
A quality product of
STANDARD BRANDS LIMITED
HEAD OFFICE. MONTREAL
A Canadian corporation operating Canada's largest fresh food delivery system

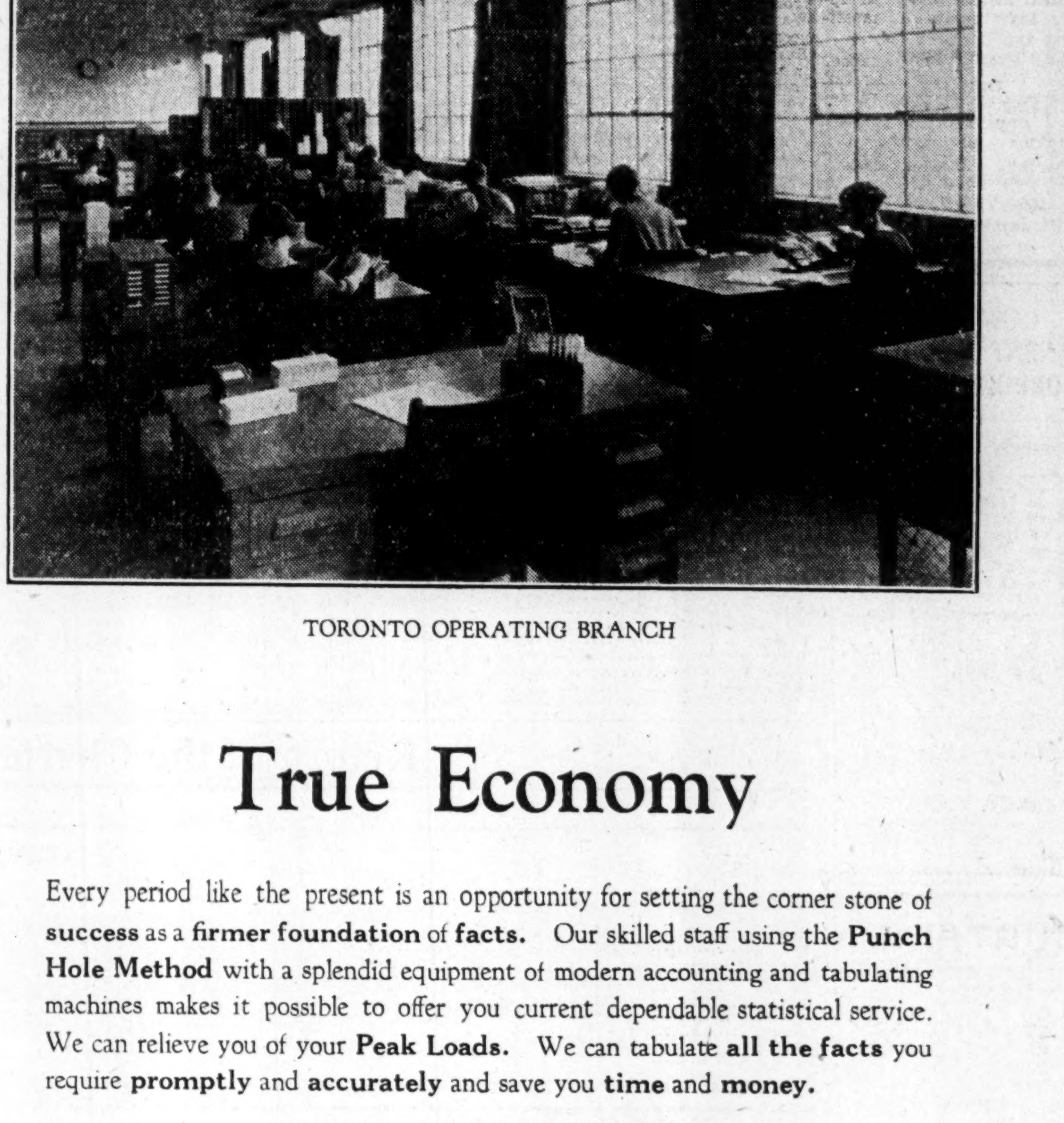
MANUFACTURERS AND DISTRIBUTORS OF
Fleischmann's Bakery Products • Fleischmann's Yeast for Health
Magic Baking Powder • Gillett's Lye • Royal Yeast Cakes
Chase & Sanborn's Tea and Coffee

Free Information on Canada's NATURAL RESOURCES—

Minerals, Water Powers, Forests and other resources, also opportunities for development. A competent staff is available to render advice and assistance.
Consult our libraries.

CANADIAN NATIONAL RAILWAYS
Department of Natural Resources
C. Price-Green, Commissioner,
360 McGill Street,
Montreal.

H. G. Wildman, Mineralogist, 360 McGill St., Montreal
Fred V. Seibert, Superintendent, Union Station, Winnipeg, Man.
R. C. W. L[illegible], Superintendent, 1109 Vancouver Bldg., Vancouver, B.C.



TORONTO OPERATING BRANCH

True Economy

Every period like the present is an opportunity for setting the corner stone of **success** as a **firmer foundation** of **facts.** Our skilled staff using the **Punch Hole Method** with a splendid equipment of modern accounting and tabulating machines makes it possible to offer you current dependable statistical service. We can relieve you of your **Peak Loads.** We can tabulate **all the facts** you require **promptly** and **accurately** and save you **time** and **money.**

Send for our book CHARTING COURSES.
There is neither charge nor obligation.

Recording & Statistical Corporation Limited

TORONTO:
137 Wellington Street West
CULBERT SCOTT,
Resident Manager

MONTREAL:
407 McGill Street
S. P. MAPES,
General Manager

The Week in Business

Grain Officials Worry at Proposed Ban

British Lumber Market for Canada

Underlying Trend Ousts Indices for Present

GRAIN EXCHANGE officials at Winnipeg are reported to be genuinely worried over the bill now before the United States Congress at Washington to regulate dealings in commodity futures. George H. Davies, of the Kansas City Board of Trade, is authority for the statement that "in the event of the measure becoming law the only market on which trading could be conducted on this continent would be Winnipeg." This on the surface would seem to be favorable to Canada, but analysis reveals that there are many dealers in Winnipeg who on occasion deal heavily in futures in the United States exchanges and it is felt that any restriction of hedging privileges in the United States would react almost as seriously against Winnipeg as Chicago, since mutual trading is carried on to a substantial degree.

Our own Stamp Commission of last year advised no restrictions or prohibitions, it will be remembered, but urged trading organizations to take the matter in their own hands and rigidly enforce their own regulations. A somewhat similar plan has been followed by the New York Stock Exchange, which has just introduced its own legislation regarding short selling to anticipate and if possible forestall any prejudicial legislation. The action of grain exchange bodies in the United States and the treatment the bill receives will be followed with keen interest by Canadian grain men.

* * *

LAST week we made reference here to possibilities of increased business for Canadian manufacturers in the Empire and particularly in Great Britain. This is further strengthened by confidential information that the intervention of the Canadian High Commissioner in regard to Soviet lumber will be successful and that this is being interpreted as indicating a new policy in dealing with the trade interests of the Dominions. It is also said to widen the prospects for success of a broad Dominion preference policy at the approaching Ottawa conference. The Soviet contract concerned 450,000 standards of soft woods at average prices of £8 15s. per standard, negotiated between British importers and Soviet trade officials. The intervention of G. Howard Ferguson caused a comparison of Russian and British Columbian living standards and wage scales.

This news, if correct, is very hopeful, and in this connection the very clear and helpful picture of the British market for Canadian lumber, drawn this week for readers of The Financial Post by H. R. MacMillan, of Vancouver, should be read carefully as indicating the imperative need for a Soviet ban by Britain if Canada is to make any progress in this valuable market.

* * *

THE week's records contain (as usual) little cheering news, but this is not unexpected as Canadian business indices have not had sufficient time as yet to reflect the extent to which a hoped-for seasonal upturn in business is going to materialize.

It is fundamental factors rather than the current movement of retail and industrial indices that are being watched most closely at the present time and as pointed out in this column a few weeks ago, the financial air has cleared materially in recent weeks. Cable advices from London report sentiment on the London Stock Exchange as extremely bullish with advances of from 4 to 9 per cent in British Government long-dated stocks within the past fortnight. In the United States bond prices have advanced into new high ground for the year, a factor which is expected to have several favorable effects, notably to strengthen the position of financial institutions, to improve the current financial position of investors and also to stimulate new financing.

Business Conditions in Canada

LUMBER INDUSTRY NEEDS SOVIET BAN TO SELL IN U. K.

Recent Ten Per Cent Preference of No Value Says H. R. MacMillan

Action of Britain in granting Canada free entry of lumber, while imports from non-British countries will pay a duty of ten per cent, is of no value to Canadian producers under present circumstances, according to H. R. MacMillan, exporter and shipper of Vancouver. Russia will hold British markets for sawn timber by cutting prices to meet laid-down costs of producers in other countries. Even with a ten per cent preference, Canadian mills cannot, with their present production and transportation costs, compete with Russia. Nor would any reasonable tariff do the job.

Only an embargo on Russia lumber imports into Great Britain would be of any considerable value to Canada, Mr. MacMillan thinks. But he feels that Canada will continue to hold the British market for those non-competitive timber lines it now sells there.

Mr. MacMillan has just returned from a tour of Great Britain, Norway, Sweden, Germany, Belgium and Holland. He prepared for The Financial Post the following statement of his impressions of the British market for Canadian lumber products:

"The fact that the United Kingdom has imposed a tariff of 10 per cent ad valorem on timber exports, excepting from the Dominion, and that Canada is practically the only Dominion in a position to supply softwood lumber may lead to some unwarranted assumptions as to benefits to be expected.

"The United Kingdom imports annually about 3,500,000,000 feet board measure of sawn softwood lumber. About 5 per cent of this was supplied in 1931 from Canada, about 10 per cent from the United States, the remainder from European countries, chief of which was Russia which supplied over 30 per cent, the balance coming from Finland, Sweden, Poland, Norway and South Central Europe.

Russia Needs Credits

"The Russians are desperately in need of foreign credits, evidently more so now than at any previous stage of their 5 year plan. Timber brought them about £12,000,000 in 1931, and thus constituted one of the major cash exports The United Kingdom took 39 per cent of Russia's timber exports in 1931, the balance going to Holland, Belgium, France, Argentine, United States, South Africa, Egypt. The United Kingdom and other European importers made large cash advances of shipment which aided materially in the production of the goods.

"Russia possesses very important advantages over Canada in competing for the valuable United Kingdom market.

"The quality of the wood is excellent—none better anywhere. The manufacture is much superior to Canadian manufacture in that every piece is sawn oversize so that when drying and shrinkage are finished the piece measures fully to its nominal size in all dimensions. The lumber is completely seasoned before shipment.

Low Freight Rates

"The freight rates on lumber from Russian exporting points to the full range of ports large and small surrounding the British Isles and serving the whole population are about $5.50 Canadian funds per thousand from the White Sea and $3.50 from the Baltic as compared with about $7.25 from Eastern Canada and $11 from Western Canada. Moreover the small vessels plying the short trip from Russia serve scores of small ports in the United Kingdom which cannot be reached by the larger vessels from Canada, and Russian lumber is thereby delivered to the back door of millions who can only secure Canadian lumber by paying the transshipment from a larger port.

"This low freight and the Russian economic scheme combine to make possible a sale price which appears impossible for Canadians. Canadian prices are now based upon: no allowance for the standing timber, little or, in some cases, no interest or depreciation for plant and capital, and a level of wages which cannot fairly or wisely be reduced unless there is a further all-round reduction in the Canadian standard of living. If Russian authorities decided they must export timber to establish foreign credits, they will do so—they need make little or no provision for wages, which now constitute in the neighborhood of 75 per cent of the Canadian cost.

Soviet Protects Buyers

"The Russian programme recently announced provides that 900,000,000 feet board measure of sawn lumber are to be shipped to the United Kingdom in 1932; that the average price will be (after deducting commissions) about $18.50 per thousand feet, delivered to English ports; that the Soviet will sell on a fall clause which will guarantee all buyers against loss through subsequent decline in price.

'This 900,000,000 feet includes boards, scantlings, planks, which constitute the bulk of the requirements for the English building trade and which Canada must supply if she expects to maintain or increase a valuable lumber export to the United Kingdom.

"Subtract the irreducible Canadian freight cost from the delivered price and the Eastern Canadian must sell his lumber at the port of shipment for about $10.75 and the British Columbia for about $7 which is manifestly impossible. Also the individual Canadian cannot guarantee to refund to the British importers any fall in market price for the year 1932.

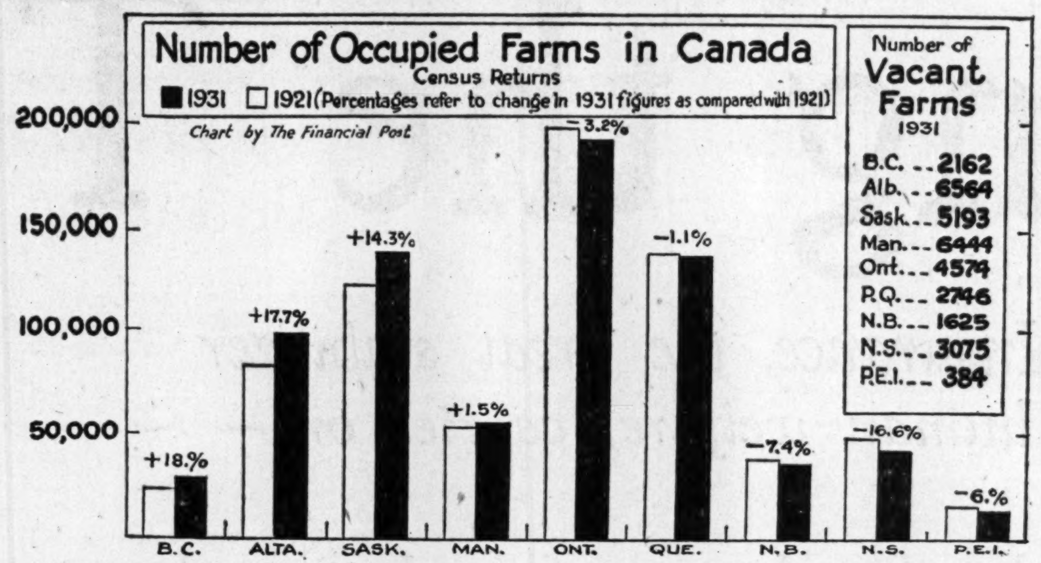
Tariff Valueless

"Against this situation the 10 per cent tariff preference is a friendly gesture but valueless. It amounts to about $1.85 per thousand on the 1932 announced prices, which does not permit Canadian lumber to compete. If Canadian shippers should, on a starvation and ruination basis, succeed in reducing their sale prices to the point where they successfully competed and thereby interfered with the volume of Russian lumber exports to Great Britain, the Russian authorities, who have foreseen this possibility when inserting the fall clause in their 1932 sale contracts, would immediately drop the price to where they excluded Canada and thus retain the market.

"Soviet Russia has established a system of lumber production which has killed Canadian competition in the United Kingdom and has the natural resources behind her to flood the market indefinitely. She is thus rapidly ruining her neighbors, Sweden and Finland, who, while they survive, must meet Soviet prices. No tariff preference will enable the lowest Canadian wage scale that could be contemplated or the greatest efficiency that could be imagined to ship Canadian lumber to the United Kingdom in competition with Russia. If it is expected or considered important that Canadian lumber should go to England in volume, Russian lumber, so long as produced as at present, must be restrained in some other manner than by a 10 per cent tariff preference, such as embargo complete or partial, such as a quota.

"If there is anything whatever in the idea of Empire trade and the utilization of Empire resources, here would seem an opportunity to co-operate in planning for a wider use of our raw materials and the maintenance of our economic system against a determined and ruthless assault."

Occupied Farms in West Increase in Past Decade



Canada had 728,244 occupied and 32,767 vacant farms on June 1, 1931, according to a special decennial census report just issued. The diagram shows clearly the distribution of these farms and the comparative data for 1921.

Census Shows Increase in Occupied Farms

Total for Canada Now 728,244 — Increase in Past Decade Not So Great as in 1911-1921

On June 1, 1931, Canada had 728,244 occupied farms, an increase of 17,154 or 2.4 per cent over the last decennial census figures of 1931, according to a detailed report issued by the census division, Dominion Bureau of Statistics, Ottawa. Between 1911 and 1921, occupied farms increased in number by 28,761 or 4.2 per cent.

The 1931 figures reveal that occupied farms increased in each of the four western provinces, Saskatchewan showing the greatest numerical increase and British Columbia the greatest percentage increase. All other provinces show a decline in the ten-year period with Nova Scotia recording the greatest decline both numerically and on a percentage basis. The figures include a detailed analysis by counties or electoral districts.

Vacant Farms Reported

Vacant or abandoned farms numbered 32,767, each of the three prairie provinces reporting between 5,000 and 6,000 apiece, followed by Ontario with 4,500. A farm for census purposes includes every tract of land of one acre or more which in 1930 produced produce worth $50 or more, or which was under crop of any kind or employed for pasturing in 1931.

The official summary of returns by provinces follows together with a table showing the results summarized in comparative form.

CENSUS RETURNS OF FARMS IN CANADA

	—Occupied Farms—		% change	Farms vacant
	1931	1921	1931	1931
P. E. I. .	12,857	13,701	—6.0	384
N. S. ..	39,562	47,432	—16.6	3,075
N. B. ..	33,947	36,655	— 7.4	1,625
Que. ...	136,061	137,619	— 1.1	2,746
Ont. ...	191,617	198,053	— 3.2	4,574
Man. ...	54,072	53,252	+ 1.5	6,444
Sask. ...	136,571	119,451	+14.3	5,193
Alta. ...	97,622	82,954	+17.7	6,564
B. C. ..	25,935	21,973	+18.0	2,162
Total ..	728,244	711,090	+ 2.4	32,767

Prince Edward Island shows a decrease of 826 farms or six per cent in the decade with the largest decrease occurring in Kings County and the smallest in Prince County.

Nova Scotia shows a decrease of 7,870 farms or 16.6 per cent, Kings being the only county which shows an increase in the number of farms. This county also shows the smallest number of "vacant" or "abandoned" farms. All the others show decreases for the ten years, with a maximum decrease of 49.1 per cent in Shelburne county and a minimum decrease of 5.6 in Hants county.

New Brunswick shows a total decrease of 2,708 farms or 7.4 per cent. By counties the maximum decrease (19.5 per cent) took place in Charlotte county and the smallest decrease (4.1 per cent) in Northumberland county. The counties of Gloucester, Madawaska and Restigouche show increases of 5.5, 3.6 and 11.4 per cent respectively. All the other counties show decreases in the number of farms.

Quebec shows 26 counties out of the 66 with increases ranging from 26.8 per cent in Saguenay to a minimum of 0.9 per cent in L'Assomption. The remaining 40 counties show decreases, the largest decrease (21.3 per cent) taking place in Soulanges and the smallest (0.1 per cent) in Kamouraska. There is a net decrease of 1,558 or 1.1 per cent in the number of occupied farms in the province from 1921 to 1931.

Ontario shows a condition similar to that of Quebec. Of the 55 counties of the province, 14 show increases with a maximum increase of 808 or 7 per cent in Cochrane county and a minimum of 0.5 per cent in Perth county. The remaining 41 counties show decreases ranging from 35.2 per cent in Temiskaming down to 0.2 per cent in Peel county. The net decrease for the province is 6,748 farms or 3.2 per cent.

Manitoba — The number of farms has increased by 820 or 1.5 per cent. While the increase in this case is not large, a considerable redistribution has taken place over the 16 census divisions, making for increases ranging from 2.5 to 16.4 per cent in 11 divisions and decreases ranging from 3.3 to 26.7 per cent in the remaining five divisions. The outstanding feature of this redistribution is the large decreases in divisions Nos. 12 and 13.

Saskatchewan reached a total of 136,571 farms in 1931, an increase of 14.3 per cent over 1921 and of 15.95 per cent over 1926. Increases are shown in every census division except three where the decreases are 4.2 per cent in division No. 7; 3.6 per cent in division No. 8; and 0.2 per cent in division No. 11. The largest increases in the number of farms from 1921 to 1931 have taken place in the northern divisions.

Alberta shows the largest per cent increase of the Prairie Provinces; the number of farms having increased in the ten-year period from 1921 to 1931, from 82,954 farms to 97,622 or 17.7 per cent. In thirteen of the 17 census divisions there were increases in the number of occupied farms, ranging from 2.5 per cent to 945 or 7 per cent in census divisions No. 17. The remaining four divisions show decreases in the number of occupied farms ranging from 0.1 per cent to 29.7 per cent.

British Columbia shows an increase of 3,962 farms or 18 per cent in the decade. The number of farms has increased in every electoral district with the exception of Kootenay West.

Business Briefs

Wholesale prices fell .2 points to 69.2 in February according to the index of the Dominion Bureau of Statistics, Ottawa. The heaviest drop by groups was in non-ferrous metals and their products due to lower prices for lead, silver, tin, zinc and copper. Of 502 items, 344 remained unchanged, 55 were higher and 103 lower.

Car loadings for week ending Feb. 27 at 43,405 cars showed an increase over previous week of 812, but 4,100 below same week last year. Total to date at 326,796 cars is 10.4 per cent under last year, same period, due to notably lighter loadings of lumber, pulpwood, grain and coal.

Wheat stocks on Feb. 27 amounted to 186,919,578 bus. a decrease of 2,111,722 bus. from the week before and 3,285,000 bus. below total at same week last year. Shipments overseas during week totalled 2,163,217 bus. making total for 4 weeks 9,835,293 bus. compared with 3,094,799 and 15,713,062 bus. for corresponding periods in 1931. Shipments from Vancouver were higher in both comparisons, reduction being mainly due to curtailed exports via U. S. Atlantic seaboard ports, for which the 4-week total was 2,938,000 bus. compared wth 6,933,000 bus. in 1931.

Building permits issued by Vancouver City during February were valued at $193,665 compared with $1,622,335 for same month, 1931; latter figure, however, included a $1,000,000 permit issued for the C. N. R. hotel. Total for the first two months of year was $533,025, as against $3,419,885 in 1931.

Less Coal Mined During January

Coal produced in Canada during January was nearly 25 per cent below the 5-year average for this month at 1,152,531 tons. Imports were 43.6 per cent lower than the average at 629,633 tons, and exports 66.7 per cent lower at 34,017 tons.

Total coal made available for consumption during the month was 1,748,147 tons, which was 31.4 per cent below the 5-year average for January.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest		Cumulative Jan. 1 to date	
	1932	1931	1932	1931
Transportation—				
Car Loadings (Feb. 27)	43,405	47,504	326,796	364,677
C.P.R. gross earn. (Feb. 29) $	2,565,000 $	2,708,000 $	17,842,000 $	22,396,000
C.N.R. gross earn. (Feb. 29) $	3,107,766 $	3,590,316 $	21,952,726 $	27,171,157
	Monthly			
C.P.R. net earn. (Jan.) .... $	649,939 $	874,502	......	......
C.N.R. net earn. (Jan.) .... $	‡588,122 $	‡511,928	......	......
Iron and Steel—				
Pig iron, tons (Jan.)	10,305	35,592	......	......
Steel, tons (Jan.)	25,060	57,598	......	......
Automobiles prod. No. (Jan.)	3,731	6,496	......	......
" exports, No. (Jan.)	548	3,054	......	......
Construction—				
Building Permits (Jan.) .... $	2,761,929 $	8,401,456	......	......
Contracts (Feb.) .... $	14,802,600 $	25,930,100	$27,540,900 $	46,229,200
Newsprint—				
Production, tons (Jan.)	171,321	183,073	......	......
Exports, tons (Jan.)	172,913	153,362	......	......
Sugar—	1931	1930	1931	1930
Imports, raw, lbs. (Dec.) ...	46,338,100	42,954,000	798,359,500	812,654,100
Manufactured, lbs.*	61,612,767	67,077,137	982,132,339	943,895,209
Flour—				
Production, bbls. (Jan. '32) ..	851,192	1,086,272	......	......
Wheat exports bbls. (Jan. '32)	331,806	392,256	......	......
Other Industrial Indices—				
Lumbering: Plank & board exports mill. ft. (Jan. '32)	53.84	57.11	....	....
Boots & Shoes pr. (Nov.) ...	1,254,696	1,124,798	16,544,082	16,023,190
Petroleum, imp. crude, gal. (Jan. '32)	72,728,643	58,974,995	......	......
Cotton, imp., raw, lbs. (Dec.)	12,224,000	12,343,000	95,597,602	100,488,000
Rubber, raw, imp., lbs. (Jan.'32)	3,911,406	3,828,530	......	......
Coal, imports, tons (Jan. '32)	629,633	792,826	......	......
Trade—				
Imports (Jan. '32) .... $	34,114,507 $	50,368,318	......	......
Exports (Jan. '32) .... $	38,366,699 $	44,617,883	......	......
Wheat exports, bus (Dec.) ..	22,355,975	22,230,897	194,869,713	207,761,067
Labor—				
Employm't Index (Feb. '32)	89.7	100.7	......	......
Electric Power—Output—				
M. Kilowatt hours (Dec.) ..	1,432,182	1,542,308	16,383,398	17,862,729
Finance—				
Failures, No. (Dec.)	196	239	2,216	2,402
Failures, Liabilities (Dec.) . $	2,957,285 $	4,202,599 $	52,552,900 $	48,164,065
Bank Debits (Jan. '32)† .... $	2,071,034 $	2,668,325	......	......
Bond sales (Jan. '32) .... $	45,917,086 $	120,349,621	......	......
Insurance Sales (Jan. '32) .. $	37,331,000 $	41,188,000	....	....
Automobile Financing:				
Used Cars (Jan. '32) .... $	801,629 $	1,287,404	....	....
New Cars (Jan. '32) .... $	629,714 $	909,514	....	....

*Four weeks' period Dec. 12 to Dec. 31.
†(000's omitted).
‡Deficit.

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Canadian Sugar Factories, Ltd., will add a $250,000 extension to their beet sugar plant at Raymond, Alta. This will increase the capacity of the plant from 1,000 to 1,250 tons of beets per day and will help to lower the cost of production, according to a statement by T. George Wood, general manager.

Pioneer Equipment Co. of Canada formed to manufacture at the Waterous, Ltd., plant at Brantford, crushing, screening and washing plants formerly manufactured by Pioneer Gravel Equipment Co. of Minneapolis. Waterous, Ltd., have also secured rights to manufacture gasoline road rollers formerly manufactured for Canada by the Buffalo and Springfield Roller Co. at Springfield, Ohio. These rollers sell for approximately $5,000. Directors of the Pioneer Co. are as follows: W. H. F. Thompson, now vice-president of the United States firm, president and treasurer; C. A. Waterous, Brantford, vice-president; L. W. Yerks, Minneapolis, secretary; W. T. Henderson, K.C., Brantford, and J. A. Hanratty, Minneapolis.

A. C. Spark Plug Co. will start manufacturing activities at its new plant in St. Catharines, Ont., in March. Installation of equipment for producing spark plugs is nearing completion. The new plant will be in charge of Walter E. Richardson.

Noxzema Chemical Co. of Baltimore, manufacturers of face creams and allied products, have established a Canadian factory at Toronto, according to H. B. Keenlyside of the Toronto Industrial Commission, and will commence production in about two weeks. Factory space has been leased at Church & Lombard Sts., Toronto, and the Canadian and British Empire export business of the company will be served from the new plant.

Lancashire Felt Co. of Montreal have opened a branch plant at York Rd., Guelph, Ont. L. J. Jockimeck has been appointed permanent superintendent. The company manufactures ladies' and men's wool hat bodies.

Punch Dry Ltd. are having a new plant erected to their specifications in York Township, Ont., for the manufacture of their ginger ale. It will be ready for occupancy April 1.

McQuay-Norris Manufacturing Co. of St. Louis have purchased 4 acres of land in York Township, Ont. and will erect thereon the first unit of a series of buildings for the manufacture in Canada of their products. These include piston rings, pistons, pins, valves, bearings, bolt bushings, bearing screws, and piston pin set screws. The first unit will comprise a building with 30,000 sq. ft. floor space and cost approximately $60,000. The complete development will reach $250,000, the York Township Industrial Commission states.

DeJur Products Ltd. has been formed to take over the Canadian business of DeJur Amsco Co. and will contract with Electric Auto-Lite Ltd. of Sarnia for manufacture of its products in Canada. The new line consists of variable condensers, Sprague fixed condensers and other radio products. Auto-lite now manufactures automobile accessories, radios, electric clocks and oil burners. W. Eric Harris is manager of the present company and will be vice-president of the new concern.

Gatineau Power Co. has just completed construction of its seventh 34,000 h.p. generator at Paugan, P.Q. The capacity of the plant is now 238,000 h.p.

McColl-Frontenac Oil Co. have commenced building a large terminal storage plant in East Windsor. The site is 5 acres in extent and there will be 3 large storage tanks with warehouses and offices. The plant will be the company's distributing station for Western Ontario.

Central Quebec Light & Power Co. announces expenditure of $1,250,000 in Sherbrooke, P.Q. on a hydro-electric development plant on the St. Francis River and the erection of a pulp-grinding plant as a subsidiary. The plant will have a potential capacity of 20,000 h.p. and will have as a subsidiary company the **Ulverton Manufacturing Co.** newly-formed concern to manufacture paper cartons and boxes. 50 per cent of the power developed will be sold to Sherbrooke. Employment will be given to upwards of 200.

Importance and Strength of Life Insurance Companies Emphasized During 1931

Montreal Life President Refers to Interesting Developments

In his remarks at the Annual Meeting of the Montreal Life Insurance Company, Mr. Arthur P. Earle, the President, made some interesting observations as to the manner in which the life insurance companies in Canada and the United States had emerged from the severe business depression of the past two years. It was pointed out that greater demands had been made on the companies than in any other similar period of the past fifty years. Policy loans and surrenders reached unheard of proportions, while claims for disability benefits were staggering in amount. All demands were met by the life companies promptly, cheerfully and in full, and without it being necessary to sell a single security.

The great strength of the life insurance institution lies in the fact that it is never necessary for a company to realize on securities at a time of depressed market prices in order to meet obligations. Moneys needed for death and disability claims, matured endowments, loans and surrenders are available from the daily influx of premium payments by policyholders and interest returns on investments. No securities need be sold at a sacrifice for this purpose.

A life insurance company purchases a Bond because the underlying security is considered ample and the yield to maturity satisfactory. It is not concerned with fluctuations in market values.

Mr. Earle pointed out that the average premium per Thousand Dollars of new insurance issued in 1931 was lower than usual, thus indicating that in view of decreased earnings, applicants were selecting the lower premium policies.

The Montreal Life President stated the one lesson taught by recent events was that the old-fashioned conservatism in investments was likely to be more popular in the future, with individuals as well as institutions. First Mortgages on revenue-producing properties, Government and Municipal Bonds—these are the investments that will be largely in demand.

The life insurance companies have emerged from the ordeal with added prestige. The institution of life insurance has stood forth as a great tower of strength and safety. With any appreciable betterment of business conditions, life insurance is destined to become the most popular form of investment. It is the one sure method by which the man of average earning capacity can by moderate premium deposits, create an estate—provide for his dependents and for his own old age.

The report of the Montreal Life for the year 1931 was distinctly satisfactory. Although records indicate a reduction of 12 per cent in volume of new life insurance written in Canada during 1931 as compared with 1930, this company registered a gain, the total amount of new business and revivals being $12,019,503. Insurance in force increased to $40,851,114.

The net premium receipts of the Montreal Life in 1931 were $1,136,944.32 and net income from investments $276,395.77, the latter item showing an increase of about 9 per cent. Payments to policyholders and beneficiaries increased 17.81 per cent to a total of $688,687.12, the largest amount distributed in any year of the company's history. The company reports a decrease of 11 per cent in ratio of expenses to net income, this being brought about by a policy of rigid economy.

Policy Reserves increased $207,415.57 to a total of $4,736,535.76. Total Assets showed a substantial gain and now stand at $5,643,500.48. The Surplus over all Liabilities, excluding capital, was $355,824.27, an increase over the preceding year.

Owing to favorable mortality and reduced expenses, the company reports underwriting profits of $135,771.73, by far the largest of any year of its history.

Death Claims were 46.38 per cent of the expected or tabular mortality as contrasted to 58.87 per cent in 1930. The average rate of interest earned on mean invested assets increased from 5.96 per cent in 1930 to 5.98 per cent in 1931. This is striking evidence of the high character of the company's investments.

Mr. Earle suggested that, while no marked improvement in business conditions is expected in the near future, the outlook as regards life insurance was distinctly encouraging.

The ability of the Montreal Life Insurance Company during 1931 to secure a greater amount of new business, to increase the volume of insurance in force, to add to Policy Reserves and Surplus, to make the largest underwriting profits of any year, bears strong evidence, not only of the inherent strength of the life insurance business, but also to the sound and aggressive management and the capacity for hard work of the officers, agents and other employees of this company, with the now well-known slogan—"The Friendly Company."

RSC INVESTMENT SERVICE

Investment Securities

Unusually attractive yields are now obtainable from Government Bonds, high-grade Public Utility issues and selected Industrial securities. Copies of our current weekly offering list will be forwarded to investors upon request.

Royal Securities Corporation
Limited
244 St. James Street
MONTREAL
330 Bay Street
TORONTO 2
Halifax Saint John Quebec Ottawa Winnipeg Vancouver
Charlottetown Hamilton Regina Calgary St. John's, Nfld.
Victoria New York London, Eng.
N-21

Why Not Subscribe Now?

To be a subscriber to The Financial Post stamps a man or woman as above the average in current information, and clear thinking—in a class with those who are doing the big things in life. The subscription price is $5.00 a year in Canada, United States, Mexico and British Empire except India. All other countries $6.00. This is very little to pay to keep yourself informed on what is going on.

USE THIS COUPON

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Please send me The Financial Post for the next year (52 issues), this to entitle me also to obtain by letter, whenever I wish, a personal reply to enquiries regarding any Canadian investments in which I may be interested. I enclose $5.00.

Name ....
Occupation ....
Address 968

£

5½%

On Guaranteed Trust Certificates

Safe beyond question and unconditionally guaranteed

Send for descriptive circular without obligation.

THE STERLING TRUSTS CORPORATION
Sterling Tower, TORONTO
Branch:—REGINA

Service standards remain unchanged . . . but your bill will average about 20% less!

NOW . . . it's poor economics to risk . . . the wrong address!

The ups and downs of business may resemble a trail through the Andes. The wheel of Fortune may act like a compass off its base. But the inclination to assay the traveler by his hotel address is just as fundamental now as in the spendingest days of the balmiest boom.

THE BLACKSTONE address has always signified a mission . . . and a traveler of importance. Socially and commercially . . . THE BLACKSTONE has successfully ministered to the requirements of travelers of world-wide experience.

This fact, we believe, gives a special aspect to our recently announced rate reductions. On an average, your stay at THE BLACKSTONE will cost just about 20% less than formerly. Rates have been reduced proportionately on rooms . . . menu charges and on the countless incidentals which are a part of every hotel bill.

We arrive at our lowered costs by simply passing on to you economies which we have been able to effect without disturbing our usual service standards. In a word . . . the cost . . . not the service . . . has been reduced.

We frankly invite the critical comparison of those who have interpreted the magnificence of THE BLACKSTONE . . . as placing it beyond the means of the average traveler. You will be pleasantly surprised to learn that you can now stay at THE BLACKSTONE for not more than what less distinguished accommodations may cost you.

On beautiful Michigan Boulevard overlooking the Lake . . . away from the disturbance of the Loop . . . yet conveniently close

Rates now begin at 4.00 a day for a room with bath. Lunch in the Grill $1.00. The dinner is $1.50

THE BLACKSTONE
CHICAGO •

Meeting the Test

~~ Life Insurance, the great stabilizer of human welfare, carries on ~~

PEACE OF MIND, with which to face the present and plan for the future, never has meant more than it means today. These are trying times. It is difficult to believe that anyone has escaped the effects of a world-wide deflation of values, contraction of enterprise, social change.

That life insurance companies, during the past year, have been able to show an increase of insurance in force is indeed a tribute to the high purpose which these institutions serve. It indicates a growing national consciousness of this reliable form of financial protection.

Life insurance is, in a real sense, an investment in peace of mind, with interest payable in future comfort. It paves the way to education; to replacement of earning power cut off by death; to establishment of credit; to liquidation of indebtedness; to estate creation—to these and other family or business objectives.

* * *

Metropolitan Life Insurance policyholders, representing about one-fifth of the populations of Canada and United States, should derive deep satisfaction from the accompanying statements of their Company. It must hearten them to realize how sound their life insurance protection continues to be.

Growth in Ten-Year Periods

(Position at End of Year)

Policies in Force		Insurance Outstanding	Assets
1871	*11,299*	*$14,989,582*	*$1,102,706.78*
1881	*196,673*	*27,328,353*	*1,973,047.08*
1891	*2,281,640*	*258,707,763*	*13,626,948.21*
1901	*6,234,302*	*1,076,977,204*	*74,771,758.56*
1911	*12,007,138*	*2,399,878,087*	*353,013,477.36*
1921	*25,819,846*	*7,005,707,839*	*1,115,583,024.54*
1931	**44,520,810**	**19,447,343,949**	**3,590,115,653.72**

Financial Report to Policyholders for Year Ending December 31, 1931

(In accordance with the Annual Report filed with the New York State Insurance Department.)

Assets		$3,590,115,653.72
(Larger than any other financial institution in the world)		
Liabilities		
Statutory Reserve		$3,085,308,878.00
Reserve for Dividends payable in 1932 upon		
Industrial Policies	$47,463,634.00	
Ordinary Policies	52,406,629.69	
Accident and Health Policies	2,530,500.00	
Total Dividends		102,400,763.69
All Other Liabilities . .		175,135,774.51
Unassigned Funds . . .		227,270,237.52
		$3,590,115,653.72
Income in 1931		907,093,871.37
Increase in Assets during 1931		280,093,835.55
Paid for Life Insurance Issued, Revived and Increased in 1931		3,430,199,381.00
(Excluding Increase on Group Policies)		

Note:—On the basis of market values as of December 31st, 1931, of bonds and of stocks not subject to amortization, the total assets are ....$3,571,679,092.24 and the unassigned funds.... $208,833,676.04

Total Bonuses and Dividends to Policyholders from 1897 to and including 1932 . .	$723,377,180.89

Life Insurance Outstanding

Ordinary Insurance	$9,848,994,131.00
Industrial Insurance (premiums payable weekly or monthly)	6,822,317,171.00
Group Insurance	2,776,032,647.00
Total Insurance Outstanding	$19,447,343,949.00
(Larger than any other life insurance company in the world)	
Policies in Force (Including 1,491,981 Group Certificates) . .	44,520,810
(More than any other life insurance company)	

Accident and Health Insurance Outstanding

Principal Sum Benefit . . .	$1,519,460,528.00
Weekly Indemnity	14,969,413.00

Daily Averages in 1931

2,177	*per day, Claims Paid.*
18,959	*per day, Policies Issued and Revived.*
$11,320,790	*per day in Amount of Life Insurance Issued, Revived and Increased.*
$2,226,280	*per day in Payments to Policyholders and Addition to Reserve.*
$924,402	*per day in Increase of Assets.*

Canadian Business

Insurance in force in Canada at end of 1931		**$1,036,135,928**
Ordinary..................	$569,724,057	
Industrial..................	393,989,651	
Group..................	72,422,220	
Insurance issued in Canada in 1931....		**224,743,789**
(Includes business revived and increased)		
Ordinary..................	$128,227,494	
Industrial..................	89,853,099	
Group..................	6,663,196	

Investments in Canada..............		**$231,036,523**
Dominion Government Bonds..............	$ 42,713,524	
Provincial and Municipal Bonds..............	109,271,623	
All other Investments....	79,051,376	
Policies in force in Canada		**2,824,061**
(Including 42,628 group certificates)		
Payments to Canadian Policyholders in 1931..............................		**22,632,607**

CANADIAN HEAD OFFICE: OTTAWA

METROPOLITAN LIFE INSURANCE COMPANY

Home Office:
NEW YORK

Canadian Head Office: OTTAWA

FREDERICK H. ECKER
President

HARRY D. WRIGHT
Third Vice-President and Manager for Canada

LEROY A. LINCOLN
Vice-President and General Counsel

This Company is a mutual organization. It has no stock and no stockholders. All of its assets are held for the benefit of its Policyholders.

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXVI | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, MARCH 12, 1932 | 10c a Copy; $5.00 a Year | No. 11

LIQUOR INDUSTRY GETS STIFF BLOW FROM SALES DROP

Ontario Report Shows Trend for Whole Dominion

U. S. MARKET LOST

Canadian Producers Have Difficulty Competing With Under-Cover Activities Across Border

Domestic and foreign business of distillers in Canada had a sharp decline in 1931 as evidenced by statistics of sales of the Liquor Control Board of Ontario for the year ending October 31, 1931. Beer sales in Ontario dropped from $17,756,459 in the 12 months ending October 31, 1930, to $16,473,788 for the next year, a drop of $1,282,671. In the case of imported wines there was an actual increase in gallonage sold because of the heavy decline in consumption of champagnes and of the heavier wines and because of the increase in the consumption of light beverage wines amounting to 8.95 per cent. Domestic wine sales increased by 9.45 per cent.

The details given in the Ontario report, which probably indicates clearly the trend all over Canada, show plainly why Distillers Corp. Seagrams found it necessary to pass the common dividend due on February 15, 1932, why Canadian Industrial Alcohol earned and paid no dividends in 1931 or 1932 and why Hiram Walker-Gooderham & Worts found it necessary to reduce progressively the dividend on common stock from a basis of $1 a share in 1930 to a basis of 25 cents a share in 1932. It explains indirectly why brewing companies have found somewhat harder sledding in 1931 than in 1930. The statistics showing an actual increase in domestic wines sold do not explain why Canadian Wineries, for instance, found it necessary to reduce dividends on common from a basis of 50 cents a share annually to a basis of 20 cents a share per annum without the additional information that there has been a price war in sale of cheap wines in Canada and this cut deeply into profits.

Less Imported Spirits

The following table shows the larger part of sales decline to have been in imported spirits but this was not sufficient to prevent a decline in sales of domestic spirits in Canada as well:

(Thousands omitted)

	1929-30	1930-31	Increase or dec.	
	$	$	$	%
Domestic spirits	11,655	10,631	1,024D	8.79
Imported spirits	17,769	13,642	4,127D	23.23
Domestic wines	2,440	2,670	231I	9.45
Imported wines	961	860	101D	10.48
Domestic beers.	19,245	17,862	1,383D	7.19
Imported beers.	213	171	42D	19.89
Total	52,283	45,836	6,447D	12.33

Prices Rise

Sir Henry L. Drayton, chief commissioner, states that the actual decrease in liquor sold was greater than the table indicates because prices were increased after the provincial budget in March, 1931, and the increase in Dominion taxes in June, 1931, as follows: Canadian whisky from $2.75 to $3; Scotch whisky from $3.55 to $4; brandy from $3.45 to $3.90; gins from

(Continued on page 15)

700,000,000 Bushels Canada's Wheat Limit

Previous Estimates of Billion Bushels From Western Prairies Probably Exaggerated, Thinks Grain Board Member

By D. A. MacGIBBON

This is the second of three articles on Canada's future in wheat export, based upon a recent address delivered by Dr. MacGibbon to the Royal Canadian Institute, Toronto. Dr. MacGibbon was formerly professor of political economy at the University of Alberta and is now a member of the Board of Grain Commissioners for Canada.

ARTICLE TWO: OUR POTENTIAL WHEAT CAPACITY

A chart of wheat production in Western Canada would show wide variations in the total, due to climatic conditions. But it would show at intervals a succession of new high levels in Canada's wheat production.

There is a wide fluctuation from year to year in the average yields per acre.

In the sixteen year period 1915-1931 the highest yield per acre was 26 bushels in 1915 and the lowest yield per acre 9.3 bushels in 1919. Last year was also a low point with a yield of 10.6 bushels per acre but not as low as in 1919. The ten year average yield, 1920-29, was 16.9 bushels per acre.

Resistance to Average Cut

Such a range of variation in production brings an almost incalculable element into handling of wheat as a commodity and I would point out that sharp variations of this nature are not confined to Canada alone. The fact that these variations exist goes far to explain the reluctance of farmers to curtail their acreage. He is afraid that he will have missed his chance to better his position. It has also led many farm leaders to infer that the caprices of the weather would soon take care of the carryovers that followed the large world crops of 1927 and '28. These variations in yield per acre become even more marked if we consider Western Canada by individual provinces.

Have Been Droughts Before

Manitoba shows the least range of variation, Alberta the widest. Those people who speak of the drought last year as being unprecedented are hardly correct. In 1918 and 1924 yields were low chiefly due to insufficient moisture. The drought of last summer differed from previous occurrences in that it extended over a large part of southern Saskatchewan normally considered exempt from insufficient rain-fall. In no instances have all three provinces been hit with equal severity. I would like to point out that it is not inconceivable, on the basis of past experience, that the West may not have a crop up to the average next year. A great deal of Western Canada entered upon the winter season with little reserve moisture and it is doubtful whether this lack will be fully made up before the crop of 1932 goes into the ground, and even after the crop has been sown there will still remain to be faced the crucial month of June.

I propose to digress for a moment to discuss the situation that arose last season.

At the end of May only a small portion of Manitoba and of Alberta had crops that were up to the average. On the other hand the area that fell below a reasonably fair crop was limited to an area in the centre of Saskatchewan.

But during the month of June due to lack of rain the prospect of a crop fell away very rapidly. At June 30, the largest part of Saskatchewan showed prospects for a crop of less than 50 per cent of the average and this condition had crept into Manitoba, with additional areas in Alberta showing not more than one-half crop.

Before the end of July there had occurred really good rains over a wide portion of southern Saskatchewan but these rains came too late. The damage had been done.

The final outcome is well known. In Saskatchewan, an area containing roughly 5 million acres of prime crop land had a yield of under 5 bushels to the acre.

Setbacks Always Temporary

But despite the discouragements that attend a year where there is an insufficient supply of moisture these conditions have prevailed on other occasions in Western Canada. These setbacks in the past have always proved to be temporary and over a period of years the wheat acreage of the West has continued to expand.

In wheat acreage in the three prairie provinces there has been a remarkably steady, almost uniform progress in the last 25 years. During the low price years of 1921-22 and '23 there was a slight decline in acreage and obviously the same thing occurred in 1930 and '31. It will also probably be true of 1932. These declines, however, were only partly due to low prices. They were also partly due to unfavorable conditions for cultivation. On the whole, I think one might fairly say that the record gives no reason to suppose that the limits of wheat cultivation in Western Canada have yet been reached. We have simply a steady record of increased acreage. When, however, we consider the acreage devoted to wheat in the individual provinces I think we get a clearer idea of the trend of evidence.

Alberta Wheat Production

It was not until 1910 that Alberta began to show promise as a wheat producing province. The explanation of the great increase in production that has taken place since that date is to be found in the success that has crowned the work of the plant breeders. The

(Continued on page 13)

DOMINION TAR EARNINGS LOWER; COVERS CHARGES

Small Surplus Remains After Preferred Dividends

From Our Own Correspondent

MONTREAL.—Net earnings of Dominion Tar and Chemical Co. in 1931, though lower than those of the previous year, were sufficient to cover all charges and leave a surplus for the year of $2,954. This compared with $464,243 in 1930. Charges last year, in addition to usual obligations included taxation paid in respect of the previous year, provision for premium paid on debenture interest and a reserve for subsidiary company's sinking fund. Common share earnings were negligible last year; in 1930 they were $1.70 a share.

Balance sheet position has been strengthened, working capital is slightly lower, additional preferred stock of Alberta Wood Preserving Co. has been purchased and sinking fund operations have begun to reduce the total of Dominion Tar debentures outstanding.

Expansion Programme Complete

During the year, approximately $325,000 was spent on plant expansion and the programme of extensions and improvements carried out over the last three years is now completed. Whereas in former years additional securities of Dominion Tar have been issued to take care of expansion, it is interesting to note that this was not the case in the past year.

Following is a comparison of profit and loss figures for the past two years:

	1931	1930
	$	$
Net earnings	1,279,760	1,681,683
Less: Depreciation ..	500,827	500,380
Debenture int.	326,837	286,331
Prov. for exchg. ..	34,539	......
Income tax	*58,612	74,000
Net profit	358,945	820,972
Less:		
Dom. Tar pfd. divd.	327,275	327,275
Alta. Wood pfd. div.	26,148	29,454
Pfd. sink. fund ...	†2,568	......
Surplus for year	2,954	464,243
Reserve from subs. ..	......	24,875
Add: Prev. surplus ..	991,046	551,678
Balance forward	994,000	991,046

*Paid and provided for.

†Subsidiary company.

Cash Shows Increase

Working capital at the end of the year totalled $2,206,475 comprising current assets of $2,903,006 against current liabilities of $697,531. At the end of 1930, working capital was $2,350,144 consisting of current assets of $3,104,347 and current liabilities of $754,203.

In assets, cash at $252,113 is double the previous year's figure, and accounts receivable are down $91,000 at $1,021,852. Dominion of Canada bonds which stood at $15,135, have been eliminated and inventories are lower by $209,000 at $1,603,444. Cash in hands of trustee for sinking fund amounts to $572 and fixed assets, less depreciation, are lower by $147,000 at $10,802,552.

Accounts Payable Lower

In liabilities, accounts payable and bills are down $86,000 at $414,751. Debenture interest accrued, including reserve for exchange, is higher by $30,000 at $194,653. Reflecting the acquisition of additional subsidiary companies' shares, minority interest in subsidiaries is lower by $29,000 at $449,158. General reserve at $53,604 has been reduced by $6,000.

Some changes are evidenced in capital structure. During the year $106,000 of six per cent debentures were redeemed, leaving outstanding $5,394,000. Outstanding preferred stock of Alberta Wood Preserving Co., a subsidiary, has been reduced by $50,300 to $360,400. Dominion Tar preferred stock outstanding is unchanged at $5,035,000. Common stock, comprising 272,500 shares of no par value is also unchanged at $681,905.

Remarks to Shareholders

In his remarks to shareholders, Lionel P. Walsh, president of the company, said in part:

"In a difficult year with reduced business the balance sheet position has been strengthened. While working capital is slightly down liabilities have also been reduced. During the year the sinking fund has been in operation and $106,000 of bonds have been redeemed and cancelled. Additional preferred shares of Alberta Wood Preserving Company, Limited, have been purchased, having a value of $50,300. The shares of Vancouver Creosoting Company, Limited, and Alberta Wood Preserving Company, Limited, formerly held by Canada Creosoting Company, Limited, have now been transferred into the name of Dominion Tar and Chemical Company, Limited, and the remaining outstanding shares of Vancouver Creosoting Company, Limited, were also acquired so that now all the issued and outstanding stock of that company is owned by your company.

"Last year your directors decided to enter into the manufacture of phenols, creosols and other tar acids, and during the latter part of the year a most up-to-date manufacturing plant was erected in Toronto and is now producing these chemicals for an available market and should contribute valuably to the earnings."

Montreal Locomotive Announce Changes

From Our Own Correspondent

MONTREAL.—Montreal Locomotive Works Ltd. announce the appointment of William F. Drysdale as vice-president of sales and H. C. Butler as vice-president of manufacturing. The two appointees will also occupy similar positions in connection with Montreal Locomotive subsidiaries.

It has also been announced that Montreal Locomotive Works will manufacture and sell self-propelled rail units in accordance with the engineering specifications of the J. G. Brill Co. of Philadelphia; a complete line of process plants and equipment for the oil refining industry, using the patents and processes controlled by Alco Products Inc., New York City; and a complete line of modern Diesel engines, in accordance with the designs and patents of the McIntosh Seymour Corp., of Auburn, N.Y. At the same time, the works will continue to manufacture and sell steam, electric and Diesel locomotives as heretofore.

CANADIAN BRONZE STOCK EARNINGS $1.66 PER SHARE

Preferred Dividends Covered — Deficit After Junior Payment

From Our Own Correspondent

MONTREAL. — Reflecting decreased railway activity and a further drop in metal prices, operating profits of Canadian Bronze Co. in 1931, after depreciation and income tax, were $198,377 compared with $287,051 in the previous year. Other income was slightly lower and net profits for the year were $198,377 compared with $308,792 in 1930. It is pointed out that a substantial part of the past year's revenue was derived from the operation of the reclamation department, established within the past two years.

Preferred dividend needs of $50,400 were well covered and after provision of $14,797 for preferred stock sinking fund there remained $133,179 applicable to the common shares. This was equal to $1.66 a share contrasted with $2.87 a share in the preceding year.

Reflecting reduction in dividend disbursements on the common from the former $2.50 rate to the present basis of $2, dividends paid during the year totalled $175,000 against $200,000 in 1930. Payment resulted in a deficit of $41,280 for the year.

Profit and Loss Figures

Following is a comparison of profit and loss figures for the past two years:

	1931	1930
	$	$
Net profit	198,377	308,792
Less: Preferred divds.	50,400	53,391
Sinking fund	14,797	25,540
Common divds.	175,000	200,000
Surplus for year	*41,820	29,860
Add: Prev. surplus ..	†512,387	563,015
Balance	470,567	592,875
Pfd. premium	......	12,488
Dep. securities	......	61,000
Balance forward	470,567	519,387

*Deficit.

†Deduction of $7,000 additional income tax for 1930.

Accounts Receivable Lower

In assets, cash is lower by $18,000 at $53,146 and accounts receivable have dropped $59,000 to $151,327. Inventories are higher by $54,000 at $384,817, and investments total $338,805 compared with $362,796 in the preceding year. The figure at which investments are carried include a reserve against depreciation of $71,446 though it is pointed out that approximate market value is $247,390.

Current assets totalled $838,515, and current liabilities at the end of the year were $181,002, leaving a net working capital of $657,512. This compares with $758,528 at the end of 1930.

A special insurance investment has been increased by $3,000 to $5,527, goodwill is still carried at $1 and fixed assets, less depreciation reserve of $402,123, are carried at $775,649. This compares with $797,163 in the previous year.

Banks' Loans Shown

In liabilities, bank loans of $35,000 are shown for the first time. Accounts payable, including provision for income tax are down $46,000 at $108,402 and dividends payable are down $25,000 at $37,600. Insurance reserves are up $4,000 at $17,125 and preferred stock sinking fund at $125,184 shows an increase of $15,000.

No preferred shares were redeemed during the year and the $720,000 outstanding is unchanged. Profit and loss surplus has been reduced by $48,780 to $470,566.

Remarks to Shareholders

In his remarks to shareholders, W. L. Bayer, president of the company, said in part:

"As you are aware, the very nature of your company's business, with its exacting demands, requires the strictest economy in operations. It is necsary at all times to keep at your different plants a sufficient organization of the proper calibre to maintain the high quality of your products and to make prompt deliveries as required by the railways and industrial customers. In order that the high standard of service to these customers should not suffer, all your plants were kept in operation throughout the year, although working hours were necessarily reduced.

"An increase of 20 per cent during the year in the number of holders of the common stock is a satisfactory indication of public confidence in the future of your company."

Change Dividend Dates Neon Preferred Stock

From Our Own Correspondent

MONTREAL.—Consideration of the dividend on the preferred stock of Claude Neon General Advertising, Ltd., has been deferred until April when the period under consideration will include the four months ended March 31, 1932. In the ordinary course of events the dividend would have been declared for the three months ended February 28.

In a letter to preferred shareholders, directors point out that they have decided to change the quarterly periods for dividend purposes to coincide with the calendar year which is also the company's fiscal year.

Canadian Industries Declares 25 Cent Bonus

From Our Own Correspondent

MONTREAL.—Canadian Industries has declared a bonus of 25 cents a share on its common stock in addition to the regular quarterly disbursement of 62½ cents a share for the first quarter of the current year. This is the same payment as was made at this time in 1931.

Last year total additional payments of $2 a share were made on the common making a total distribution for the year of $4.50. This compared with $5 in the previous year. Earnings in 1931, after charges, were equal to $4.61 a share.

Maritime Provinces Fish Catch

Fish valued at $328,400 were landed in the Maritime Provinces during January, as compared with a landed value of $338,425 for the same month last year. In quantity, January, 1932 showed a slight increase, the total being 12,647,700 pounds, or about 250,000 pounds in excess of last January's landings. Nova Scotia's value was higher in 1932, the figure being $212,702, whereas the catch in January, 1931, was valued at $199,113.

Flour Output Last Year Was Lowest in Decade

Milling Activities Average Less Than 50 Per Cent of Capacity in Past Two Years — British Preference is Temporary Benefit

From Our Own Correspondent

MONTREAL.—Problems of the Canadian flour milling industry in 1931 were acute; production fell to the lowest level to be recorded in the past ten years. Figures show that not since 1921 have the depths plumbed last year been exceeded; in face of tariff walls, depreciated currencies and narrow profit margins the outlook for milling companies in the current year is still clouded, though a 10 per cent preference in the British market gives the industry a temporary advantage.

Falling off in exports, of course, is at the bottom of the trouble coupled with the substantial over productive capacity in the industry itself. Export shipments in 1931 were even less than in 1921 and were only half what they were in the more prosperous periods in the succeeding decade.

Low Operating Ratio

Looking at the situation from another angle the problems which follow in the wake of reduced output becomes only too obvious. In the past two years operations of the Canadian flour mills have been conducted on an average at less than 50 per cent of capacity; in 1931 the mills operated at 46.4 per cent of capacity and in 1930 at 47.5 per cent.

With half the installed capacity of the industry idle for the last two years it is not surprising that leading milling companies reported wide decreases in earnings. It is natural that competition almost on a ruinous scale should have set in and that what business there is offering in export markets should be sought after at virtually any price.

Production Shows Decline

Production and export figures throw clear light on a situation which has been much discussed in the past two years. In 1931 total output was 15,502,221 barrels a drop of 1,092,000 barrels from the previous year and comparing with 21,076,733 barrels in 1924 the highest level to be touched in the past 10 years. Each year since 1928 has witnessed a steady reduction in total output of Canadian flour mills.

Domestic consumption remains fairly constant so it is entirely due to lower demand from export markets that mill operations have been slackened to around 45 per cent of capacity and production curtailed. Exports in 1931 amounted to but 5,697,224 barrels of flour; this compares with shipments of 11,405,728 in 1929.

Comparative Figures Shown

The following figures covering production and exports in the past ten years indicate the seriousness of the situation as it exists today.

	Production Barrels	Exports Barrels
1921	15,321,759	6,017,032
1922	18,055,010	7,414,282
1923	19,075,814	10,227,060
1924	21,076,733	11,714,929
1925	17,769,071	11,029,227
1926	19,056,162	10,084,974
1927	18,787,312	10,147,705
1928	20,389,542	9,387,273
1929	19,756,422	11,405,728
1930	16,594,343	7,514,978
1931	15,502,221	5,697,224

At the moment Canadian millers are enjoying a 10 per cent preference in the British market which lends some encouragement to an otherwise gloomy situation but C. H. G. Short, honorary president of the Canadian National Millers' Association, has expressed the opinion that millers should not show too much elation over this temporary advantage over foreign competitors. He points out that though the Dominions are presently exempt from a 10 per cent tax on flour, the fact remains that such a tax is provided for.

Accordingly, in Mr. Short's opinion, it would appear that the status of Dominion flour is held in abeyance by the British Government as something to bargain with at the forthcoming Imperial Conference in July; that it would be a valuable weapon is seen in the fact that a tax on flour might indirectly affect shipments of Canadian wheat to Great Britain despite the free entry which is granted to wheat.

In this respect he says:

"The British Government is well aware that to restrict the import of flour into Britain is to place the British miller in possession of a virtual monopoly in regard to price and quality, as the removal of quality competition afforded by the import of Canadian flour, would place Canadian wheat at the mercy of the British miller in respect to its use, and would, in effect, result in Canadian wheat being attractive only when at price levels with crops coming from Russia and Argentina."

Flour, it is held, is the whole basis of the Canadian wheat trade; ground from the highest grades the quality of Canadian flour acts as the best salesman that Canada has for her wheat. A restriction on imports of Canadian flour would remove that quality and standard from the baker which makes it necessary for the home miller to employ Canadian wheat in order to compete with imported flour.

It is on this premise that some see a potential threat to a portion of Canada's wheat shipments in a possible tariff on flour and predictions are made that the question will be hotly discussed in Ottawa at the forthcoming conference.

Montreal Exhibition Reports Small Loss

From Our Own Correspondent

MONTREAL.—Reports of the Montreal Exhibition Co., operating the Montreal Stadium and owning a franchise in the International Baseball League, for the fiscal year ended October 31 last, will show total revenues of 24$6,664. This compares with $252,591 in the preceding year. The net loss for last year, after reserve for bad accounts and interest on mortgage, amounted to $8,925, against a net loss of $3,672 in the preceding fiscal year.

Apart from the business situation, the company was forced to contend with adverse weather conditions during the past year and attendance in 1931 totalled 179,595, against 206,000 in the preceding year.

Homestead Applications in Alberta

A total of 5,464 homestead applications were filed during the year 1931, and up to February 1st this year in the Edmonton and northern districts of Alberta.

BREWING CORP. PAYS LARGE TAX MADE NO PROFIT

Taxes Take $1,571,333 of $1,705,023 Operating Revenue

In its first full year of operation Brewing Corporation of Canada had an operating profit of $1,705,022 of which $1,558,425 was paid out in government and municipal taxes while provision for Dominion income tax accounted for another $12,908. Miscellaneous income amounted to $29,964. The company allowed $323,916 for depreciation and wrote off $5,927 on preliminary and incorporation expenses and after these charges showed a net loss for the year of $235,509. The proportion of this loss applicable to minority interests was $10,273, but dividends paid amounted to $90,754 and brought the debit balance for the year to $315,990 and increased deficit forward to $496,591.

E. P. Taylor, president and general manager of the company, in a comprehensive outline of the present position of the brewing industry as a whole in Ontario urges amendment of the current liquor laws to permit freer sale of wines and light beers. At the present time consumption of beer is but 45 per cent of pre-war volume and consumption per capita is less than 32 per cent of pre-war volume.

Bank Loan Higher

Balance sheet shows current assets of $1,614,265 against current liabilities of $796,755; a ratio of 2.02 to 1, compared with 2.27 to 1 at the end of 1930. Cash is up to $114,122, and marketable securities to $124,150, the latter having market value of $122,490. Receivables amount to $295,844 and inventories are down to $1,080,149. Bank loans and overdrafts are up to $566,255 from $456,248 shown in 1930 and accounts payable amount to $230,500.

Fixed assets are carried at $5,218,987 after deduction of depreciation reserve of $1,859,286. Property not used in business and other investments at book values are carried at $267,016; preliminary and incorporation expenses at $27,030 and deferred charges at $36,548. Capital expenditures during 1931 amounted to $108,214 while repairs and replacements took $98,236 which was charged to operating expense.

Mortgages and agreements payable are down slightly to $61,357; reserve for government tax claims is shown at $424,996. Serial notes have been reduced by $100,000 to $500,000 and minority interest in subsidiaries to $192,164 from $350,871. There is outstanding 145,886 shares of preferred and 266,484 shares of common, both of no par value which, with capital surplus of $821,446, are carried at $5,685,165 subject to debit balance of $496,591.

Cordage Company Enlarges Plant

Construction of the large addition to the plant of the Canada Western Cordage Company at New Westminster is progressing to completion. The extension being made to the plant involves an expenditure for building and equipment of some $30,000 and will be devoted to the manufacture of binder twine. The first spinning jennies to be manufactured in this province will be utilized in the plant.

TO PROTECT other investments

KEEP A SAVINGS ACCOUNT

Two questions to ask about any investment are, first: How quickly can I get my money back? And second: Can I get it all?

By these tests, no form of investment equals a Savings Account in the bank. Bonds or stocks or real estate fluctuate in value and to turn them into cash quickly may involve loss. But money in a Savings Account is always available at full value—and earns a steady 3% interest.

Whatever your circumstances, you should keep an adequate Savings Account as your primary investment. In any branch of The Royal Bank of Canada this will receive efficient and courteous care.

THE ROYAL BANK OF CANADA

Capital and Reserves - - - $74,155,106

Total Assets - - - - over $750,000,000

The Royal Bank of Canada today is one of the ten or twelve great banks of the world, with 881 branches, deposits of more than 550 millions and total assets of over 750 millions. Every office of The Bank commands information and experience gained in more than sixty years of effort and has a personnel trained to be efficient and accommodating.

"I thought I'd be Safe down here"

Dad was sitting in a movie down in Florida — far away, he thought, from business. Suddenly he saw his name flash on the screen. He hurried to the manager's office. Long Distance was calling and, in a moment, he heard Tom's voice:

"Sorry to bother you, Dad, but they made me sales manager here yesterday and I'm in trouble already. I'd like your advice."

"You young rascal," Dad said, "I thought I'd be safe down here. But tell me what's wrong and maybe I can help you."

When Tom left the telephone a few minutes later, he was relieved in mind and ready to settle things. Once more, in an emergency, Long Distance had been a ready servant — dependable, quick, easy to use and surprisingly inexpensive.

Evening rates on "Anyone" (station-to-station) calls begin at 7 p.m. Just give "Long Distance" the number you want—it speeds up the service.

DIVIDEND NOTICES

DIVIDEND NUMBER 225

Hollinger Consolidated Gold Mines, Limited

A dividend of 1% on the Capital Stock of the Company has been declared payable on the 24th day of March, 1932, on which date cheques will be mailed to shareholders of record at the close of business on the 10th day of March, 1932.

DATED the 3rd day of March, 1932.

I. McIVOR,
Assistant-Treasurer.

THE DOMINION BANK

Notice is hereby given that a Dividend of three per cent upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 31st March, 1932, being at the rate of twelve per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Friday, the 1st day of April, 1932, to shareholders of record of the 19th March, 1932.

By Order of the Board.

C. A. BOGERT,
General Manager.

25th February, 1932.

POWER CORPORATION OF CANADA LIMITED

Second Preferred Dividend No. 19

NOTICE is hereby given that a dividend of one and one-half per cent (75 cents per share) being at the rate of 6% per annum, has been declared on the 6% Non-Cumulative Participating Preferred Stock of Power Corporation of Canada, Limited, for the quarter ending March 31st, 1932, payable April 15th, 1932, to shareholders of record at the close of business March 31st, 1932.

By order of the Board,

L. C. HASKELL, Secretary.

Montreal, February 26th, 1932.

CHARTERED TRUST AND EXECUTOR COMPANY

DIVIDEND NOTICE

Notice is hereby given that the regular quarterly dividend of 1½% has been declared payable on the First day of April, 1932, to shareholders of record at the close of business March 26, 1932.

By Order of the Board,

E. W. McNEILL,
Secretary.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a Dividend of Three per cent, being at the rate of Twelve per cent per annum, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after 1st April, 1932, to Shareholders of record on the books of the Company at the close of business on 15th instant.

By Order of the Board,

WALTER GILLESPIE,
Manager.

PROVINCIAL PAPER LIMITED

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable April 1st, 1932, to Shareholders of record as at close of business, March 15th, 1932.

W. S. BARBER,
Secretary-Treasurer.

DOMINION GLASS COMPANY LIMITED

NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of March, 1932.

Notice is also hereby given that a dividend of one and one-quarter per cent (1¼%) has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of March, 1932.

The above Dividends are payable on Friday, the 1st day of April, 1932, to Shareholders of record at the close of business Tuesday, the 15th day of March, 1932.

By Order of the Board.

MERVYN OFFER
Secretary.

Montreal, 18th February, 1932.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

Preferred Dividend No. 29

NOTICE is hereby given that a Dividend of 1¾% (being at the rate of 7% per annum) has been declared on the 7% Cumulative Preferred Stock of CANADA NORTHERN POWER CORPORATION LIMITED for the quarter ending March 31st, 1932, payable April 15th, 1932, to shareholders of record at the close of business March 31st, 1932.

By order of the Board.

L. C. HASKELL, Secretary.

Montreal, February 23rd, 1932.

"SUPERTEST"

Petroleum Corporation Limited

NOTICE OF DIVIDENDS

"A" Preferred

A quarterly dividend at the rate of 7% per annum on the Class "A" Preferred Stock of this Corporation for the quarter ending March 31st, 1932, has been declared; payable April 1st, 1932, to Shareholders on record at the close of business on March 18th, 1932.

"B" Preferred

A quarterly dividend at the rate of 6% per annum on the Class "B" Preferred Stock of this Corporation for the quarter ending March 31st, 1932, has been declared; payable April 1st, 1932, to Shareholders on record at the close of business on March 18th, 1932.

Common and Ordinary Shares

The Board of Directors has declared a quarterly dividend of 25c per share on the Common and Ordinary Stock of this Corporation for the quarter ending March 31st, 1932, payable April 1st, 1932, to shareholders on record at the close of business on March 18th, 1932.

Share Warrants

Share Warrant holders will present coupons, serial number 19, to the Canadian Bank of Commerce, London, Ontario, and Branches in Ontario and Quebec, on and after April 1st, 1932, where payment will be made at par.

BY ORDER OF THE BOARD

JAMES D. GOOD.,
Secretary-Treasurer

London, Ontario, March 3rd, 1932.

Pheasants Breeding in Manitoba

A population of one million English ring-neck pheasants is predicted for Manitoba within two years. This game bird was introduced into Manitoba in 1930 and it is estimated that more than 4,000 of the birds will be ready to propagate this summer. There is quite a demand among the farmers for eggs with which to stock their districts.

STERLING RISE SEEN AS CAUSE OF WHEAT GAIN

World Shipments at High Rate — U. S. Winter Crop Being Watched

From Our Own Correspondent

WINNIPEG.—Strength in sterling was considered an important factor in the wheat market at the beginning of the week, although wheat actually tended to maintain very closely its gold value. World shipments are proceeding at a reasonably high rate, but a preponderating share of these is now coming from the Argentine, with North American shipments running slightly less than four and half million bushels weekly, while Argentine shipments last week were nearly two million bushels more, and Australia also shipped more than this continent. Black Sea shipments on the contrary are practically negligible.

One result of heavy shipments from the Southern Hemisphere is that stocks afloat are increasing. The United States farm board deal with Brazil is resulting in very small takings of wheat for that country from the Argentine, and a corresponding increase in pressure of Argentine wheat in Europe. Shipments to Italy indicate that that country may have large total imports before the end of the season, as previously indicated by relaxation of milling quotas. Corresponding action in France is understood to have increased buying, and similar relaxation in German regulations is looked for.

Look to Winter Wheat

Attention of market observers is largely fixed on the condition of winter wheat in the United States. Current cold weather, following upon an extremely mild spell is considered to be dangerous, but it will be some weeks yet before any reliable estimate can be made of the extent of winter damage and of probable abandonment of acreage. Increased attention is also paid to the Russian situation, and reports of necessity of supplying food and seed to large areas where the spring wheat crop of last year was a partial failure.

The market is essentially in a waiting condition, for while all available information leads to the belief that the continent's available supplies of both wheat and rye are at a low ebb, making probable heavy importations from North America, and there has been some evidence of forward buying on that account, the situation has yet to materialize itself in the hoped-for volume of business.

Final Report Issued

North West Grain Dealers' final crop report for 1931 puts the production of wheat in the Prairie Provinces at 285,979,500 bushels, of which 55,000,000 are allowed for seed and feed, and as 202,830,000 have already been delivered, balance in farmers' hands to be delivered is put at 28,149,500.

Of the total acreage sown to wheat, amounting to 25,352,722 acres, according to the census report, it is estimated that 5,339,950 acres were abandoned, of which 4,133,501 were in Saskatchewan, 470,891 in Manitoba and 735,558 in Alberta. This serves to show the extent of last year's crop failure in Saskatchewan although account must also be taken of abandonment of practically 4,000,000 acres seeded to coarse grains. On the threshold acreage the wheat yield average is estimated at 14.3 bushels.

Coarse Grains 102,000,000 bu.

The production of coarse grains is estimated at 162,232,100 bushels of oats, 50,838,400 bushels of barley, 4,902,800 bushels of rye, and 2,669,000 bushels of flax. The average yield for oats is put at 30.8 bushels, for barley 21.2 bushels, for rye, 8.1 bushels, and for flax, 2,669,000 bushels.

Of the total supply of oats there have already been inspected 19,349,800 bushels, while there are still in store at country points 6,700,000 bushels, and it is estimated that farmers will still market 17,721 bushels. The remainder will be consumed on farms where grown.

Farm Board Action

The action of the United States Congress in passing the bill to appropriate 40,000,000 bushels of Farm Board Wheat for relief purposes is not regarded as a constructive influence in the market. To some limited extent it may result in increased consumption of wheat in the United States, particularly where distribution is made in the south and south east, where corn, and not wheat flour is the important part of the diet of a large percentage of the population.

Should the grain, instead of flour made from it be distributed, there might be a certain additional amount of feeding to livestock. But on the other hand it means disruption of ordinary trading channels with respect to flour supplies to a large part of the population, and the displacing of wheat which otherwise would have been milled for their use, with supplies contributed by the Farm Board which otherwise might have been held for a longer period off the market.

For the longer view anything which hastens the retirement of the Farm Board from its position as holder of enormous stocks of which, and the return of marketing to normal channels is probably useful, although it is a process which of necessity must be gradual.

Welcome Winter Weather

From Our Own Correspondent

REGINA.—The return of severe winter conditions, after the mild weather experienced at the end of February was welcomed throughout southern Saskatchewan. The disappearance of snow cover, and the thawing of surface soil was beginning to lead to a certain amount of soil blowing, and trains across the prairies were accompanied by clouds of dust. The country is now to a large extent covered by a snow blanket of fair thickness, and the severe cold which has been experienced seems to insure that there will be no premature loosening or drying out of the soil this spring.

Pleasant as early springs may be, they are not usually regarded as favorable to crop production, for the limited moisture supply which is characteristic of southern Saskatchewan even in good years, makes it desirable that the land should not be exposed to drying out too early in the spring.

While soil moisture conditions are yet far from satisfactory there appears to be a general feeling among farmers that the land is somewhat better supplied than a year ago, and that good spring rains will make fair crop production quite possible.

NOTICES

SECRETARY WANTED

for city club with large membership. Apply by letter only enclosing copies of testimonials and stating salary expected. Only those who are properly qualified for a secretarial position need apply. Write Box 309, The Financial Post, Toronto.

To Business Executives

University graduate, fifteen years experience in the construction industry including five years successful sales work across Canada, desires to join a business organization (not necessarily in construction field) wherein an executive position and eventually a financial interest may be secured. References as to business ability and character furnished. Communications strictly confidential. Write Box 308, The Financial Post, Toronto.

Sun Life Assurance Company of Canada

Head Office: Montreal

Stock Transfer Department

Notice is hereby given that the Stock Transfer books of the Company will be closed from the 17th to the 31st of March, both dates inclusive, for the preparation of the dividend to become due and payable on the 1st day of April, 1932, to shareholders of record at the close of business on March 16th, 1932.

By order of the Board,

H. W. K. HALE,
Secretary.

DIVIDEND NOTICES

PENMANS LIMITED

Dividend Notice

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 30th day of April, 1932.

On the Preferred Stock, one and one-half per cent. (1½%), payable on the 2nd day of May to Shareholders of record of the 21st day of April, 1932.

On the Common Stock, Seventy-five Cents (75c) per share, payable on the 16th day of May to Shareholders of record of the 5th day of May, 1932.

By Order of the Board.

C. B. Robinson,
Secretary-Treasurer

Montreal, March 7, 1932.

DIVIDEND NOTICE

Canadian General Electric Company, Limited

Preference Dividend No. 88

Notice is hereby given that a Dividend of one and three quarters per cent. for the quarter ending the 31st day of March, 1932, being at the rate of seven per cent. per annum, has been declared on the Preference Stock of the Company.

COMMON DIVIDEND NO. 109

Notice is also hereby given that a Dividend of $1.00 per share for the quarter ending the 31st day of March, 1932, being at the rate of eight per cent. per annum upon the par value of the stock, has been declared on the Common Stock of the Company.

The above Dividends are payable on the 1st day of April, 1932, to shareholders of record at the close of business on the 15th day of March, 1932.

By Order of the Board,

W. H. Nesbitt,
Secretary.

Toronto 2, March 2, 1932.

Hydro Pays Gatineau In United States Funds

From Our Own Correspondent

MONTREAL.—Revenue received by the Gatineau Power Co. on contract power deliveries to the Ontario Hydro-Electric Power Commission last year was in excess of $3,900,000, payment being made to the company in American funds. The cost of the premium on United States funds to the Commission last year totalled $161,825.

This information was given out in the Ontario provincial legislature in reply to questions placed on the order paper respecting relations between the Commission and Gatineau Power.

It was stated that the Commission has two contracts with Gatineau, one for 260,000 h.p. of 25-cycle power at $15 a h.p., dated May 19, 1926, and to extend over a period of 30 years. The other is dated December 28, 1927, for 60-cycle power, and provides for delivery of a minimum of 6,000 h.p. in 1928-29 and a minimum increase of 6,000 h.p. per annum for the first ten years, making a minimum total at the end of 1938 of 60,000 h.p. The maximum on the second contract is set at 100,000 h.p. and the additional 40,000 h.p. is to be ordered, upon notice to the company, prior to October 1, 1938.

Payment on the second contract is on the following basis: $14.55 per h.p. per annum to 80,000 h.p.; $14.50 per h.p. per annum from 80,000 to 100,000 h.p., $14.45 per h.p. per annum for 100,000 h.p. and over; 25 per cent at least of the total power to be taken at Ottawa, for which an additional 30 cents per h.p. per annum is charged; $30,000 to be paid to the Commission per annum by the company, as charges on the single-circuit line to Smiths Falls; $60,000 per annum to be paid when the line is double circuited, or at the end of five years, at the option of the commission.

At present the commission is taking delivery of 260,000 h.p. on the first contract and 24,000 h.p. on the second contract.

Canadian Theatre Seeks Postponement of Interest

From Our Own Correspondent

MONTREAL. — Canadian Theatre Co., owning and operating the Princess Theatre in Montreal, is asking its bondholders to approve a postponement of interest payments at a meeting to be held March 29, 1932. The theatre is one of the largest in Montreal having a seating capacity of 2,270, it presently confines its activities to the exhibition of motion pictures though at one time it housed vaudeville entertainment. The company is controlled by Consolidated Theatres.

At the meeting, holders of the $374,100 of 6½ per cent first mortgage bonds will be asked to waive a default in interest payments due March 1, 1932, and to postpone such payment until March 1, 1934. Further it is proposed that interest due September 1, 1932, be postponed until March 1, 1935.

Bondholders will also consider waiving default of sinking fund due March 1, 1932, and releasing the company from its obligation in this respect as well as sinking fund due September 1, 1932. The company reserves the right to pay all or any of the arrears of interest at any time during the period of suspension.

DIVIDEND NOTICE

A. J. FREIMAN LIMITED

DIVIDEND NOTICE

A dividend of One and One-half per cent (1½%) on the 6% cumulative redeemable convertible preferred shares of A. J. Freiman, Limited, being at the rate of 6% per annum, will be paid on the 1st day of April, 1932, to Shareholders on record March 15th, 1932.

By resolution of the Directors.

Dated at Ottawa this 4th day of March, A.D. 1932.

S. R. OUELLETTE,
Secretary-Treasurer.

McCOLL-FRONTENAC EXPAND IN ONTARIO

Building Storage Facilities at Windsor and Welland

From Our Own Correspondent

MONTREAL. — Further expansion of McColl-Frontenac Oil Co.'s activities in Western Ontario, is seen in the announcement of the construction of additional storage facilities at Windsor and at a point near Welland.

Plans for Welland include the erection of a bulk storage plant, with a capacity of from three to four million gallons, and a five-truck garage and warehouse building. Construction work is starting immediately and the cost will be from $60,000 to $70,000. The site selected for the new plant is on the Thorold-Allanburg provincial highway and on the Canadian National Railways.

The company has purchased a five-acre site at East Windsor and already has started the construction of a large terminal storage plant. Present plans call for the immediate erection of three large oil and gasoline storage tanks and a combined warehouse and office building. Dock space has been leased on the Detroit River and the company's products will be brought to East Windsor by boat. Pipe lines will be constructed from the dock to the plant, and distribution throughout Western Ontario will be by rail.

Beyond stating the new plant will be a substantial one, no figures as to the cost or capacity of the new enterprise have been made public. The company already has a small plant in Windsor and it is stated that business expansion in the territory has necessitated the new undertaking.

C. P. Steamships Arrange St. Lawrence Schedule

From Our Own Correspondent

MONTREAL.—Plans of the Canadian Pacific Steamships for the St. Lawrence season of 1932 call for a total of 68 arrivals of Canadian Pacific liners at Quebec and Montreal, and of these 48 are due to make Montreal their terminal port. Of the 19 liners docked at Quebec, three of them will be on special summer season trips between New York and Quebec by the Duchess boats.

From Liverpool to Montreal there will be 34 sailings, all except one including calls at Belfast and Greenock, and of the liners sailing from Southampton and Cherbourg for St. Lawrence ports, there will be 16 Empresses to Quebec. Six of the "Mont" ships west-bound, calling at Southampton, will make the port of Hamburg the port of origin for six sailings and Antwerp for one sailing.

Montreal will see 50 sailings of Canadian Pacific liners, of which 33 will be destined for Liverpool with calls at Belfast and Greenock, and one vessel, the Duchess of Bedford, calls at Dublin en route for Liverpool in order to accommodate those wishing to attend the Eucharistic Congress.

The list of east-bound sailings also include 29 liners calling at Southampton, of which 16 are from Quebec by Empresses, proceeding via Cherbourg, and 10 from Montreal via La Havre by the "Mont" ships, and three from Montreal via Cherbourg.

There will be also seven sailings from Montreal to Hamburg of which two proceed via Cherbourg and Southampton and the remaining via La Havre and Southampton.

Lord Nelson Hotel Elect New Directorate

From Our Own Correspondent

MONTREAL.—Following the annual meeting of the Lord Nelson Hotel Co., of Halifax, J. H. Winfield was elected president in succession to H. R. Silver.

The following directors were elected: J. H. Winfield, George E. Graham, C. B. Smith, K.C., Lieutenant-Colonel S. C. Oland, M. S. Clarke, J. G. Farquhar, F. G. J. Comeau, Gordon B. Isnor, R. J. Macadam, Colonel A. Montgomerie, Honorable W. H. Dennis, Dr. H. K. MacDonald, Dr. J. G. MacDougall, J. G. Rainnie, D. R. Turnbull.

Crowell, Balcom and Company were re-appointed Auditors.

At a meeting of directors held following the annual meeting, the following officers were elected: President, J. H. Winfield; Vice-President, C. B. Smith, K.C.; Secretary, Lieutenant-Colonel S. C. Oland; Executive Committee, J. H. Winfield, C. B. Smith, K.C., George E. Graham, M. S. Clarke, D. R. Turnbull.

Has N. Y. Wire Service

McLeod, Young, Weir & Co. announces that direct wire connection has been secured with New York which has broadened the trading facilities of the firm. The wire connects directly with the First National Old Colony Corp. and ties into the complete wire system which covers the financial centres of the United States.

Wawanesa Mutual Increases Business in Force

Fire insurance premiums written by Wawanesa Mutual Insurance Co. in 1931 totalled over $110,000,000 as compared with $76,000,000 a year ago according to the company's annual report published this week. Total business in force is shown at $229,017,000, an increase of $35,581,000 over 1930.

Total assets are shown at $3,243,195 which after deduction of unassessed premium notes not allowed by the federal insurance department, leaves $1,552,200 as compared with a corresponding figure of $1,494,340 last year.

No figures as to the company's experience in 1931 are available as yet.

Wawanesa now has branches in Vancouver, Owen Sound, Toronto, and Montreal. It claims to have more business on its books in Canada than any other Canadian fire insurance company, stock or mutual.

Dodge Manufacturing Co. Stock Listed in Montreal

From Our Own Correspondent

MONTREAL. — Montreal Curb Market announce the listing of Dodge Manufacturing Co. 17,056 Class "A" cumulative convertible preferred shares of no par value and 24,000 Class "B" common shares of no par value, with authority to add a further 8,528 Class "B" common shares on official notice of issuance against conversion of preferred shares.

War Aces to Foregather in Toronto During April

A re-union of all pilots and observers of all nations who won their wings before Armistice Day, 1918, will be held in the Royal York Hotel, Toronto, on April 2, 1932.

Due to the difficulty of securing present addresses of all pilots and observers, they are requested to write to C. B. Stenning, 153 University Avenue, Toronto.

Mortgage Moratorium Virtually Certain in B. C.

From Our Own Correspondent

VANCOUVER.—Legislation providing for a general moratorium on mortgage principal seems assured in British Columbia as a result of the action of Hon. T. D. Pattullo, leader of the opposition, in pledging his support of the proposal, which originated with the government.

British Columbia Plans Revised Motor Insurance

VANCOUVER.—Third party insurance for protection of persons injured in automobile accidents is embodied in legislation to be brought down during the present session of the legislature.

The bill is modelled along the lines of Ontario legislation.

Dominion Stores Sales Off

Sales by Dominion Stores Ltd. during February are reported at $1,857,573 as compared with $2,013,662 in the corresponding period of 1931. The drop of $156,089 is 7.75 per cent of the February, 1931, total. Sales in the initial five weeks of the current fiscal year amounted to $2,187,906, 5.81 per cent lower than in 1931.

Mortgage Moratorium Effective in Ontario

Hurried through the Legislature as an emergency measure, Royal assent has been given to the Ontario Mortgagors' and Purchasers' Relief Act generally referred to as the mortgage moratorium bill. Provisions of the act, previously outlined in The Financial Post, require that before any act of foreclosure due to arrears of payment on principal account, consent must be obtained from a court. The bill does not apply to mortgages securing bonds or debentures.

Based on the corresponding bill of 1915 the act does not prevent action brought against a mortgagor who is in arrears of interest or taxes. In case of arrears of payments on account of principal, it does not prevent action being taken providing that a judge, upon hearing facts of the case, has given consent to such action.

Maple Leaf Oil Co. Reports Operating Profit of $2,255

Annual report of Maple Leaf Oil Co. for the year ended December 31, 1931, shows a revenue of $4,909 and operating expenses of $2,653, leaving an operating profit of $2,255.

The company has one producing gas well in the Wainwright area, Alberta, the output from which is sold to the Wainwright Gas Co.

The balance sheet of the company showed current assets totalling $13,920 including $11,000 due on an underwriting agreement. Current liabilities are shown at $3,574.

The company has an issued capitalization of $71,500 in six per cent cumulative preference shares of $1 par value and 132,606 common shares of no par value. Dividends on the preferred shares have been deferred for the time being.

Make Public Offering Deeded Royalty Interests

From Our Own Correspondent

MONTREAL.—Offerings of deeded oil royalty interests are being made by Parkinson, Joncas and Co. The prospectus covering the offering deals at some length with the question of royalties but particulars of the actual interests offered are lacking. It is stated that at present rate of returns the royalty interests yield about 1 per cent monthly and upwards.

Quebec Power Co. Tram Receipts Down

From Our Own Correspondent

MONTREAL. — Tramway receipts in the City of Quebec for the three months ended December 31, 1931, showed a drop of $19,760, according to an interim report issued by Quebec Power Co.

Receipts for the final quarter of 1931 amounted to $220,437, as against $240,198 for the same period in 1930.

G. T. Gayford Joins H. R. Bain

H. R. Bain & Co. announces association with the firm of Gordon T. Gayford who becomes manager of the bond trading department. Mr. Gayford was formerly with J. H. Crang & Co. R. Snowball, formerly in charge of bond trading, has been appointed office manager.

Viau Shareholders Approve By-law Change

From Our Own Correspondent

MONTREAL.—First and second preferred shareholders of Viau Biscuit Corp. have approved a change in the by-law governing their shares. They have given their consent to an amendment which allows the company to redeem preferred stock at prices below $115 a share; hitherto stock was redeemable only at $115.

There is outstanding $1,000,000 of 7 per cent first preferred and $470,000 of 7 per cent second preferred stock. These figures represent the original amount issued in each case; to date none has been redeemed.

Dominion Woollens Runs Auburn Mills at Capacity

From Our Own Correspondent

MONTREAL.—Dominion Woollens and Worsteds is operating the cloth mill of its Auburn mills at Peterborough on a 24-hour schedule and other divisions of the plant are on full time Though production is being undertaken at capacity it is understood that the narrow profit margin on sales tends to restrict earnings.

Dominion Woollens and Worsteds completed the first six months of its current fiscal year on December 31, 1931; no figures on earnings in that period have been disclosed. It is stated, however, that a tendency toward better prices in the raw wool market should work in the company's favor.

Montreal Stock Exchange Minimums Further Adjusted

From Our Own Correspondent

MONTREAL.—Further changes in the minimum prices are announced by the Montreal Stock Exchange. Effective March 7 the minimum prices were removed on the following stocks: Atlantic Sugar, Canada Northern Power, Canadian Bronze, common and preferred; Canadian Converters, Canadian Cottons, Eastern Dairies, Jamaica Public Service, common and preferred; and J. S. Mitchell.

At the same time minimum prices were lowered on a number of stocks. These are as follows: Canadian Celanese preferred, 60 to 50; Dominion Bridge, 27 to 24; Dominion Glass, 75 to 70; Ottawa Power, 104 to 100; Power Corp. of Canada, 36½ to 30; Quebec Power, 29 to 25; Viau Biscuit preferred, 75 to 70.

Canadian Hydro-Electric Report More Shareholders

From Our Own Correspondent

MONTREAL.—Preferred stock shareholders of Canadian Hydro-Electric Corp. now number 6,755, a new record and twice the number on the corporation's records as at March 1, 1928. The number of shareholders has not only shown growth at the close of each year since then, but has reached a new high level at each of the dividend payments of the past year.

The number of shares of first preferred stock now held at 18½ shares per shareholder, compared with 3[illegible] shares when the first dividend was paid in 1928.

NEW ISSUE

$4,000,000

Province of Saskatchewan

Twenty-Year 6% Sinking Fund Debentures
(Non-Callable)

Dated March 15, 1932. Due March 15, 1952.

Principal and half-yearly interest (March 15 and September 15) payable in lawful money of Canada at The Royal Bank of Canada in the Cities of Toronto, Montreal, Saint John, Winnipeg, Regina or Vancouver. Coupon debentures in the denominations of $1,000 and $500, with provision for registration as to principal.

Legal Opinion: E. G. Long, Esq., K.C.

These Debentures are direct obligations of the Province of Saskatchewan, and are payable, principal and interest, out of the Consolidated Fund of the Province. They are exempt from Municipal and School Taxation in the Province of Saskatchewan, and are free from all Provincial Taxes and Succession Duties imposed by the Province. The proceeds of this issue will be used for refunding Treasury Bills originally issued for Public Works and Improvements and other capital expenditures.

An annual Sinking Fund of one per cent. will be established against this issue.

Saskatchewan ranks third in population among the Canadian Provinces. Agricultural production has shown increasing diversity in recent years, the annual value of dairy products having increased threefold in the period 1918 to 1929. Flour milling, butter and cheese production and meat packing are the chief manufacturing activities in the Province. The gross value of manufactured products for the year 1929, as recently reported by the Dominion Bureau of Statistics, was $80,501,159. The coal deposits in Southern Saskatchewan have been estimated to be in excess of 59 billion metric tons; while in Northern Saskatchewan the occurrence of iron ore, copper, nickel and gold-bearing quartz has already been proved.

The Provincial Treasurer has authorized the following statement:
"Through measures taken early in the current fiscal year the Government of Saskatchewan effected a substantial curtailment of expenditures on both current and capital account. These measures substantially reduced the deficit which is expected in the Provincial accounts for the fiscal year ending April 30 next. In the budget proposals for the coming fiscal year, the Government's programme provides for further curtailment of expenditures and the raising of increased revenues. It is confidently anticipated that these steps will provide a balanced budget for the fiscal year commencing May 1 next."

Information regarding the financial position of the Province will be found in the official circular which is available upon request.

We offer these Debentures if, as and when issued and accepted by us, subject to the approval of Counsel.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close subscription books at any time without notice.

It is expected that Debentures in interim form will be ready for delivery on or about March 18, 1932.

PRICE: 94.45 and accrued interest, to yield 6.50%.

The Royal Bank of Canada — Bank of Montreal — The Canadian Bank of Commerce
A. E. Ames & Co., Ltd. — Wood, Gundy & Co., Ltd. — The Dominion Securities Corporation, Ltd.
The Bank of Nova Scotia — Imperial Bank of Canada — The Bank of Toronto
Fry, Mills, Spence & Co., Ltd. — The Dominion Bank — Royal Securities Corporation, Ltd.
McLeod, Young, Weir & Co., Ltd. — Bell, Gouinlock & Co., Ltd. — R. A. Daly & Co., Ltd.
Nesbitt, Thomson & Co., Ltd. — Hanson Bros., Inc.

March 10, 1932. The statements herein have been accepted by us as accurate, but are in no event to be construed as representations by us.

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Bond Yield Arithmetic Puzzles Many Investors

When Sold Below Parity Additional Payment at Maturity is Always Considered in Calculating Yield — Time Element Important

On page 10 of your issue of February 20 you published an advertisement for the sale of 6 per cent bonds or secured notes at $97.75 to yield over 6½ per cent according to the statement.

Will you kindly explain in your next issue how these 20 or more eminently respectable banks and bankers make their calculation and arrive at the figures they quote.

The purchasers of these bonds will obviously only draw 6 per cent on the par value which means $6 only. Whereas if they drew 6½ per cent or over, as promised in the advertisement they would get over $6.35 instead of $6.

If a mining promoter were to use such misleading figures to sell stock, how long would he retain his liberty. I have asked a banker how they figured that out and he admitted that it was a tricky statement and that the purchasers would not get the rate of interest mentioned in the advertisement.

It is a simple matter of arithmetic, is it not? When I was going to school 6½ per cent on $97.75 would be $6.35 and the school master never tried to make it a different amount by any hokus-pokus.

The calculating of bond yields is not a matter of quite so simple arithmetic as in the example which you give. You are doing much less than justice to the advertisers who were truthful in their claims as to bond yields obtained by investors buying at the price given. As the error which you make is a common one among new investors, an extended answer is called for.

The Shawinigan Water & Power 6 per cent five year notes were offered at 97¾ and accrued interest to yield over 6.5 per cent. It is assumed and often stated that this yield is to maturity of the notes in 1937. At that time investors receive payment of the face value of the bonds. Therefore if an investor bought a $1,000 bond on the offering date he would have paid $977.50 and at maturity would receive from the company $1,000. You have failed to take into account the difference between purchasing price and face value of the bonds which in the case of this issue amounts to $22.50. This must be considered in figuring the net return to the investor on this investment.

For each $97.75 invested the investor will receive $6 per year which gives a return of very slightly over 6.138 per cent if you do not take into account the difference between purchase price and the face value of the bond repayable at maturity. If you take this difference of $22.50 and divide it by 5, the number of years to maturity of the bond, you will find that you get $4.50 per year on each $1,000 bond over and above interest received or 45 cents for each $100 invested. Thus on each $97.75 invested you get $6 in interest each year and 45 cents as the annual share of the difference between the price paid for the bond and the return at maturity. This amounts to $6.45 on each $97.75 which is a return of approximately 6.598 per cent. The actual yield received is 6.535 per cent the difference being that the present value of the premium obtained at maturity is less than $22.50.

Bond yields are worked out by mathematical formula. Yields have been worked out for bonds bearing different coupon rates at all maturities and all prices and the results have been incorporated in what are known as bond yield tables which are used almost exclusively in ascertaining the yields to be secured from any particular bond at a particular price.

These bond yield tables vary from stock yield tables in that the latter are not concerned with any maturity and are therefore simply the amount of dividends being paid multiplied by 100 and divided by the price paid for the stock. Bonds are a promise to pay a specified amount at a specified time and the price at which the bond is purchased is seldom the same as the face value of the bond. The time element has therefore to be considered since it is assumed that a purchaser of bonds is purchasing to hold to maturity and not to hold merely as a speculation and in considering bond yields and the return to be secured on investments in bonds, it is necessary to consider this time element.

Canadian Car

I have the purchase of some preferred stock of Canadian Car and Foundry Co. in mind. What is the outlook for this concern and does the preferred occupy a satisfactory position?

Prospects for earnings of Canadian Car and Foundry Company in its current fiscal year are not particularly bright for the railway companies, as you know, are restricting their purchases for new equipment in an effort to economize. Further, until the Duff Commission publishes the results of its investigation into the railway problem in Canada it is unlikely that the railroad will make any substantial commitments in capital expenditure; the situation, however, should become more clearly defined when this report is released.

A feature of viewing the preferred stock of Canadian Car and Foundry from an investment angle is the financial position of the company at the end of the last fiscal year, Sept. 30, 1931. Cash position was strong and included $2,135,290 of Dominion of Canada bonds in addition to over $1,000,000 in cash and miscellaneous investments. Accounts receivable totalled $2,033,143, payment of which will find reflection in the revenue of the current year. The company earned $2.54 a share on the preferred stock last year despite a wide reduction in earnings; preferred dividend requirements are $1.75 a share. Canadian Car is active in developing new lines and its decision to enter the tank car field, by which it will build, lease and sell tank cars, tends to build up business in a slack period.

Loblaw Groceterias

Please advise me as to financial standing and position of Loblaw Groceterias. I have been a subscriber to The Financial Post for eight months and greatly appreciate its treatment of international and political as well as financial questions.

Loblaw Groceterias in the last decade has had remarkable expansion and though this expansion has not been continuing so far as profits are concerned in the last two years when prices as a whole have been declining at a great rate, the company is still in a strong financial condition. Relatively as a chain store enterprise this company has held up better than most merchandising enterprises. Its management is good.

Montreal Power

A friend of mine holds some shares of Montreal Power. Would you be good enough to give me an idea of the position occupied by this company and the nature of its activities? Are the shares well regarded?

Montreal Light, Heat and Power Cons. is the largest privately owned distributor of electrical energy in the Dominion. Its progress in the past has been consistent and has coincided with the growth of the territory it serves, which, incidentally, is the largest metropolitan area in Canada. Its stability was well illustrated in 1931 when gross earnings showed substantial gains over the previous year and profits were equal to $2.17 a share on the common stock, compared with a dividend of $1.50 a share. In addition to controlling the entire gas, electric light and power business in Montreal and suburbs, the company, through joint control of United Securities Ltd., controls Montreal Tramways, which is one of the few urban transportation systems operating successfully today. Montreal Power shares are widely held and, under normal market conditions, are actively traded in at all times.

South. Canada Power

Please give me some data regarding Southern Canada Power Co. as regards dividend payments on the preferred and common shares. What were common share earnings last year? Have profits fallen off this year badly?

Southern Canada Power Co. has paid dividends regularly on its six per cent preferred stock since 1920. An initial dividend of $1 a share was paid on the common stock in 1923. This was increased to $2 in the succeeding three years to $3 in 1927, and $4 in 1928. In 1928, the common stock was split four for one and the new shares placed on an annual dividend basis of $1 a share.

In the fiscal year ended September 30, 1931, net profits were maintained, but owing to increased preferred dividend requirements, common share earnings were $1.09 compared with $1.22 in the previous year. In the first four months of the current fiscal year to January 31. 1932, net earnings were down 2.15 per cent compared with the same period in the previous year; it is yet too early to estimate whether common share dividends will be covered in the current fiscal period. The company has expanded steadily and has been particularly active in securing new industries for its territory, a factor which has found reflection in revenue. The decline in earnings this year is not unsatisfactory in view of industrial conditions.

Brooks Steam Motors

Are shares of Brooks Steam Motors Ltd. issued for the par value of $10 and sold in January, 1928, at the price of $13.50, still worth something?

Brooks Steam Motors, Ltd., has not been operating for a couple of years and the stock has no market value.

Oils and Brazilian

I have $700 to invest, I want as much safety as possible in common stocks.

What do you think of British American Oil, Imperial Oil and Brazilian Traction?

British American Oil and Imperial Oil Companies both managed to earn more than their dividends in 1931, being helped thereto by a higher tariff and by active application of the dumping duty. Actual gallonage sold by these companies was lower than in 1930 and the future improvement in business will in all probability depend on business recovery, better prices for the farmer, and the renewal, in some measure, at least, of industrial and business expansion, So far as 1932 is concerned, no one, not even the executive of the companies concerned, can guess what the total results will be. They were helped in 1931 by an unusually mild winter which induced many people to keep running their cars instead of putting them up for the winter. That cannot be depended upon next winter. There is the unknown result which may come from a general tendency of provincial governments to discuss the increasing of taxation on gasoline and the committee investigation into the price of gasoline in Ottawa to see if inordinate profits are being made. There also remains as a background the overwhelming potential crude over-production which affects the operation of important drilling subsidiaries of the two companies, the very large activities of International Petroleum especially in Peru and Colombia, and the growing activities of British American Oil in Oklahoma and East Texas. When that situation is corrected and there is no longer the pressing of large surpluses of gasoline on a reluctant market, the path should again be smooth for expansion and, therefore, for greater earnings. At the moment no one can say when that will be.

Brazilian Traction, just the same as British American Oil and Imperial Oil, has a good record of earnings behind it. It has had to stop paying dividends on several occasions not through any fault of its own, but because of the fluctuations of the milreis in which currency it receives pay for half its services. The other half of its revenue is paid for on the basis of the gold value of the milreis at par. The purchase of Brazilian Traction stock is, therefore, not so much an investment in the company as a speculation in the currency of Brazil and that in the ultimate analysis will depend on the prosperity of the country and its ability to maintain a favorable balance of trade in international payments. In hard times no one knows but that a country which has had one successful revolution might not have another. The present administration seems to be doing good work, claims to have balanced the budget of the country and says that favorable features are beginning to appear. That country's chief trouble is an overwhelming coffee surplus which has to be sent out into the markets of the world at low prices.

Collingwood Terminals

Can you give me any information on preferred stock of Collingwood Terminals, owning a grain elevator at Collingwood? This 7 per cent cumulative preferred stock has not paid dividends for over a year now. Can you give me any information as to the possibility of continuing dividends, their financial standing or anything in which you think I, as a shareholder, would be interested?

Collingwood Terminals has just declared a dividend of 1¾ per cent on the preferred stock payable February 27 to shareholders of record February 15. This is the first dividend on the preferred stock to be paid since dividends were passed in March, 1931. At the end of 1930 there were 2,659 shares of $100 par value preferred outstanding. At the annual meeting of the company on March 16 more information may be given. As some other elevator companies had rather a good period in 1931, but do not expect it in the current year because of the smaller crop last season, it is rather difficult to express an opinion as to the immediate possiblities for continuance of the dividend on the preferred stock.

Bonds or Stocks

I cannot afford to lose anything, and I have waited long and anxiously for some appreciation on my stocks.

I may have to seek out a position again, in England, and thus leave Canada, for a time at any rate.

I've wondered if it is better, and safer, to sell all my stocks, and buy bonds, or to take a chance on the better ones, and sell only the poorer stuff.

I hold, paid for, outright:

16 Shawinigan, com., bought at	$95
12 Textile, com., bought at	100
20 Montreal Power, bought at ..	40
20 Imperial Oil, bought at	30
20 Inter. Nickel, bought at	27
15 Massey Harris, com. bt. at ..	70
5 Massey Harris. pref., bt. at ..	100
20 Steel of Canada, com., bt. at .	48
10 Ford "A" of Canada, bt. at ..	25
10 Canada Car, com., bought at .	22
5 Abitibi, com., bought at	65
2 Dominion of Canada bonds, 4½ per cent, 1940.	

You will see, I already take a big loss on my investments, and I feel that I would like to keep some of them, on a chance of getting back some of my outlay by capital appreciation.

I would very much appreciate your advice. I don't know what is the right thing to do.

Your problem is a difficult one to decide. You would take a large loss on the securities if you were to sell them now, though there is a relieving situation in that you could buy the best Canadian bonds at present for much less than you would have had to pay at the time you bought the stocks, but it is difficult to tell you to sell out all your shares and invest in bonds, because if and when there is a considerable rally in business it might be accompanied by considerable improvement in the market value of a great many of the shares in your list. We cannot predict with assurance just when that will occur, and no one can. All that the investor can do is to stand by the companies which show the strongest financial position and which seem to adapt themselves most readily to the changed state of affairs. The hope naturally would be that such companies would be in a position to improve more quickly than others when business once more takes the upturn. In spite of all that has occurred, Shawinigan, Dominion Textiles, Montreal Power and Imperial Oil and International Nickel are still strongly entrenched. Dominion Textiles and Imperial Oil of these companies are helped to a considerable extent by tariff protection, but the others are more or less independent of direct aid in that way.

Massey-Harris stock, for which you paid high figures, can only come back when the purchasing power of farmers throughout Canada and throughout the world improves. We do not know when that will be and large visible surpluses of grain will have to get much lower before great improvement in that respect can be expected. There is a more hopeful outlook at the present time than for some years. The company owes the banks about $7,000,000 and has huge inventories and accounts receivable to liquidate. At the same time the price is so low, especially for the common stock, that you would gain little by liquidating and it might appear that the chance of the company coming back in a large way some years hence might be worth while waiting for.

No one can predict what Ford of Canada will do over the year. Its record in the past up to about 1927 was remarkable but since the change over from the old car to the new, a necessary change, the company has not been able to make its old profits. There is powerful opposition in the market, and from now on it appears that the available market will be sought by most of the large operators on narrow profit margins, until consumption at least suffers a sharp revival. It may be said that every holder of such a stock as Ford of Canada has a new opportunity each time that the company brings out a new model. The company has the advantage that it gains an immediate and wide hearing for any product it produces and therefore there is a strong basis of hope for the stock as well.

It may be a long, long wait before Abitibi common can be expected to pay dividends. The newsprint industry is seeing its worst days for a decade and Abitibi itself has had to pass dividends on the two preferred issues as well as on the common. A sharply increased demand will be necessary before the common stock will again be talked about as a near term possibility.

Steel of Canada is one of the strongest of the steel companies of Canada. It has a splendid record for dividend payments and prospects are that present low level of orders will be raised when general business picks up.

Canadian Car has a very strong financial position but it is that kind of company which makes large profits in years of prosperity and considerable expansion, and low profits or losses in years when demand falls away sharply. It is now in a period of falling demand.

There is not one of the stocks you hold which you have not, from past experience on the market, the right to expect a large improvement in some day. It is far from impossible that the turn of the wheel of events might improve the situation for some or most of those stocks that you own. Until the present international troubles clear up, until international trade and finance once more run on an even keel, until there is something approaching a balance between effective demand and supply, however, such appreciation cannot be predicted. You have to walk by faith or invest in Government bonds.

Huron & Erie

I hold a number of shares of 20 per cent Huron & Erie Mortgage Corp. stock. Would it be well to sell this and get government bonds?

In Huron & Erie stock (20 per cent paid up) you have a security which has attained high investment value because of the progressive success of the company throughout its career and the present financial strength as revealed by the last balance sheet.

Government bonds are selling now at a very attractive figure but one would think that rather an argument for the investment of new funds than to dispose of a security which has such a high reputation, as Huron & Erie Mortgage stock. The Financial Post does not advise in switches. Your problem reminds us forcibly of the puzzled lad with two sweethearts. "How happy I'd be with either, if t'other dear charmer were away."

Algoma Steel

I have noted that 5 per cent bonds of Algoma Steel Corp. are selling at low levels, and if, as I believe is the case, interest is guaranteed by Lake Superior Corp., the position of these bonds appears to be interesting. Please tell me if Lake Superior's guarantee still holds and outline details of these bonds for me

As at June 30, 1931, there were outstanding $14,341,453 of five per cent first and refunding mortgage bonds of Algoma Steel Corp. In addition to the bonds outstanding, $5,996,984 were held for sinking fund and $1,809,563 were pledged against temporary loans. Interest, which is guaranteed together with principal by Lake Superior Corp., is payable in sterling at par, in United States gold coin at the Bank of Montreal, New York, and in Canadian gold coin at the Bank of Montreal, Montreal. The bonds are secured by direct lien on all property of Algoma Steel Corp. subject to $5,800,000 five per cent purchase money bonds, which are deposited against the Lake Superior Corp. five per cent first mortgage collateral trust bonds. A like amount of first and refunding bonds of Algoma Steel is reserved to retire the five per cent purchase money bonds.

Earnings of Algoma Steel Corp. in the fiscal year ended June 30, 1932, are not likely to show improvement over those of the previous fiscal year when total income was $150,709, which compared with bond interest needs of $1,013,302. Interest on the bonds has been met regularly since their issuance in 1912, though it is impossible to say definitely whether interest will continue to be paid. In previous years the bonds have sunk to low levels, anticipating a possible default, but payment has always been made.

The chief merit of the bonds lies in the fact that they represent a mortgage on the property of the key company in the Algoma Consolidated Corp. Algoma Steel is the backbone of the organization and in some years has been able to report substantial earnings. Plant has been improved and expanded and Lake Superior might be expected to make every effort to prevent a default on the bonds. The value of the bond as an investment, however, should be considered apart from the fact of the guarantee.

Dominion Bridge

What is your opinion of the outlook for Dominion Bridge Co. in the current year? Do you think this organization will be able to maintain its earnings at last year's level?

Earnings of Dominion Bridge Company in the year ended October 31, 1931, held up well in face of general conditions but structural steel manufacturers will likely feel the effects of lessened major constructional work to a greater extent this year. Anticipating this, Dominion Bridge has reduced its common dividend from $3 to $2.50 annually in order to conserve its cash resources. The company, however, occupies a strong financial position. The balance sheet at the end of the last fiscal period shows adequate working capital and cash, call loans and bonds totalling over $6,000,000. The wide expansion carried out in recent years should stand the company in good stead when conditions improve in the industry it serves.

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

Canadian Pandora Gold

Please let me have any information on the Canadian Pandora Mines Ltd.

The Canadian Pandora Gold Mines is developing a good prospect in the Cadillac area, Quebec. Preliminary reports are encouraging but a great deal more work will have to be done before the real value of the property is known. A shaft is being sunk on the property. As developments stand at the present time, it is a prospect with encouraging but inconclusive showings.

Moffatt Hall Mines

Will you please give us any information you have on the Moffatt Hall Mines?

Moffatt Hall is developing a gold prospect east of the producing section at Kirkland Lake. The property has been prospected at various times in past years, notably in one very extensive diamond drilling campaign carried out by the McIntyre-Porcupine Mines which had an option on it, but which owing to the discouraging results obtained did not exercise its option. Early this year a New York group optioned a block of the stock and has been active in interesting the public in the shares. The information that has been coming from the property is not very illuminating and a great deal more work will have to be gain definiteness.

Black Bear Oil & Gas Co.

Will you kindly forward me information on a company called Black Bear Oil and Gas Co. Ltd., address 100 Adelaide West, Toronto, Ont.

I understand they have some land leased in Dawn Twp., Lambton Co., and intend to drill for gas and oil in the near future.

Black Bear Oil & Gas Co. is one of the many companies being promoted to develop gas in Southwestern Ontario. We understand that the company has leases on considerable acreage and that it proposes to start drilling at an early date.

At the present time there is no basis on which one can make a deduction as to the merits of the enterprise. The company has acreage leased and hopes to get commercial production of gas if it raises sufficient money to carry out its programme. Of the numerous companies publicly financed to develop gas properties in Southwestern Ontario none has yet reached a profitable basis for the shareholders or declared dividends.

British Columbia lumber exports in 1931 represented 29 per cent of the total shipments to all markets of the world from all lumber-exporting nations, according to Bruce M. Farris, president of the B. C. Lumber and Shingle Manufacturers' Association.

Woods Manufacturing Company, Limited

Jute and Cotton Bags
Hessians, Buckrams
Paddings and Twine
Tents
Flags
Tarpaulins
Clothing and Cotton Fabrics

Factories at
MONTREAL, TORONTO, OTTAWA, WINNIPEG, WELLAND
Head Office
MONTREAL

National Steel Car Corporation Limited

Builders of Passenger Cars—Freight Cars—Street Cars—Air Dump and Industrial Cars of all descriptions. Automobile Chassis Frames, Woodwork and Parts—Steel Pressings—Forgings—Drop Forgings.

HAMILTON, ONTARIO, CANADA
621 St. James Street, MONTREAL, QUE.

Atlantic Sugar Refineries
LIMITED

Lantic Sugar

General Offices
485 McGILL STREET
MONTREAL

Refineries - Saint John, N. B.

HAMILTON BRIDGE COMPANY
LIMITED

Designers, Fabricators and Erectors
of every class of
Structural Steel Work

Head Office and Works:
HAMILTON - CANADA

Members of the Montreal Stock Exchange, with offices on the Second Floor of 505-507 Place d'Armes. Telephone number, PLateau 5811. Branches are open at Toronto, Ottawa and Quebec.

Inquiries invited

Greenshields & Co

PROPERTY MANAGEMENT

Since placing their properties under our management owners have received a much better return on their investments.

Consult us about your property.

Our services are at your disposal.

McWILLIAMS & BROUGHALL

Members Toronto Real Estate Board
25 King Street West
TORONTO
Elgin 4182-3-4

IAC

Aged in Experience
Modern in Methods

BUILT upon sound principles, backed by years of experience in the Instalment Banking Business, I. A. C., an all Canadian Company, have grown to a national organization maintaining branches from coast to coast.

By adhering to modern methods and a policy for fair dealings, coupled with a personal understanding of its clients' problems, a record for service has been established, second to none in this field of specialized banking.

Your inquiries are invited, and will be treated in confidence.

Industrial Acceptance Corporation Limited

Halifax St. John Quebec Montreal Ottawa
Toronto Hamilton Windsor Winnipeg Regina
Calgary Edmonton Vancouver

A National Service by a Canadian Company

ESTABLISHED 1908
ROBERT DODD & COMPANY
INCORPORATED
Investment Bankers
The Royal Bank Building, Montreal
HArbour 8141-2

Quality Tells!

—naturally . . . and Picobac ranks with the finest Burley in the world. It is grown and ripened in rich, moist southern Ontario soil.

—and don't forget, you get more tobacco for your money.

Imperial Tobacco Company of Canada, Limited

it's Canadian through and through

You can roll a fine cigarette with Picobac. Try it!

Picobac
"The Pick of Canada's Burley Tobacco"
Grown in sunny, southern Ontario

Insurance for Buyer and Seller

CANADA BUSINESS OF METROPOLITAN AT BILLION MARK

Largest Financial Institution in World Has Impressive Record

Business in force of Metropolitan Life Insurance Co. in Canada has topped the billion dollar mark for the first time in the company's history according to figures presented in the company's annual report for 1931. Total business in force in Canada in the three branches of insurance which the company writes totals $1,036,135,928 as compared with $994,252,441 a year ago.

In its business issued during the year in Canada the company has also made splendid progress, the 1931 figures including business revived and increased, showing an increase of 14.6 per cent over 1930, with total business issued of $224,744,000 as compared with $196,128,000 a year ago. Ordinary business issued was $128,227,000 a gain of nearly $21,000,000 over the 1930 figure. Gains were also shown in both group and industrial business issued.

Largest in World

As the largest insurance company in the world the company's statement for its entire business makes impressive reading. Total insurance in force now amounts to no less than $19,447,343,949 on 44,520,810 policies. Total assets of this insurance giant are $3,590,115,654, a figure which is larger than for any other financial institution in the world. During the year this company received over $907,000,000 in income and issued new policies totalling $3,430,200,000.

The company announces that it will retain its 1931 scale of dividends to policyholders.

The company shows a gain of $21,000,000 in its investments in Canada which now total $231,036,500. The bulk of this sum is invested in Dominion Government, provincial or municipal bonds.

Comparative figures of the company's Canadian business for 1931 and 1930 are as follows:

	1931	1930
Insurance Issued in Canada:*		
Ordinary	$128,227,494	$107,965,848
Industrial	89,853,099	83,763,756
Group	6,663,196	4,399,000
Total	224,743,789	196,128,604
Insurance in Force in Canada:		
Ordinary	$569,724,057	$533,703,719
Industrial	393,989,651	393,393,570
Group	72,422,220	67,155,152
Total	1,036,185,928	994,252,441
No. of policies in force in Canada	2,824,061	2,823,974
Payments to Can. policyholders	$22,632,607	$18,589,814
Investments in Canada:		
Dom. Govt. bds.	$42,713,524	$36,098,468
Prov. & munic. bonds	109,271,623	99,527,345
All other	79,051,376	74,897,977
Total	231,036,523	210,523,790

*Including business revived and increased.

Life Insurance in Force Now Totals $6,622,548,000

Life insurance paid for in Canada during 1931 totalled $783,019,054 a decline of 11.5 per cent from 1930 according to preliminary figures issued from Ottawa this week by G. D. Finlayson, federal superintendent of insurance. Net life insurance in force in Canada at the end of 1931 is given at $6,622,548,000, an increase of 2 per cent from the previous year. The figures apply to Dominion licensed companies only.

Of total new business paid for during the year, $581,754,108 was ordinary life insurance which was 10.6 per cent below the corresponding figure for 1930. Industrial insurance was down 7 per cent at $162,540,000 while group insurance showed the most drastic drop on a percentage basis being down 34.6 per cent at $38,724,884.

Of total business in force in Canada at the end of the year, Canadian companies are credited with two-thirds of the total or $4,409,704,000 an increase of 2.1 per cent from a year ago, while British and foreign companies hold the remainder or $2,212,844,000 which is 1.8 per cent above the 1930 figure. That the year has been a difficult one for all companies is indicated by the fact that in spite of new paid for business of over $780,000,000, business in force increased by only $130,000,000.

No figures are released as yet showing business of Canadian companies outside Canada during 1931 nor detailed figures of business in force as between ordinary, group and industrial insurance.

Fraternals Lower

Fraternals are shown to have decreased business in force by about 1 per cent the total at the end of the year being $183,466,589 as compared with $185,288,774 a year ago.

Comparative figures for all items affecting life insurance released by the federal department todate are as follows:

New Business Paid For in Canada (Net)

	1931	1930	% Change from 1930
Ordinary	$581,754,108	$650,764,864	—10.6%
Industrial	162,540,062	174,820,038	— 7.0
Group	38,724,884	59,169,346	—34.6
Total	783,019,054	884,754,248	—11.5

Net Business in Force (in Canada only)

	1931	1930	% Change from 1930
Canadian companies	$4,409,703,751	$4,319,432,191	+ 2.1
British and U. S. companies	2,212,844,253	2,172,996,485	+ 1.8
Total	6,622,548,004	6,492,428,676	+ .2%

Fraternal Societies in Canada

	1931	1930	% Change from 1930
Net Business in Force:			
Canadian societies	$ 127,741,018	$ 129,852,173	— 1.8%
Foreign societies	55,725,571	55,436,601	+ .5
Total	183,466,589	185,288,774	— .9%

EMPIRE LIFE ISSUES $3,431,000 INSURANCE

Assets Now Top $2,000,000 But Capital Impairment Grows

New insurance issued and revived amounting to $3,430,655 as compared with $4,832,000 in 1930 is reported by Empire Life Insurance Co. for 1931. Total business in force at the end of the year is shown at $18,246,292. A year ago the company had $20,117,415 on its books at the end of the calendar year.

Total assets show an increase of nearly $200,000 and now top the $2,000,000 mark at $2,013,529. Of this total $487,736 represents mortgages on real estate, the corresponding item a year ago being $543,588. Real estate on hand was shown at $22,638. The largest individual item in the company's balance sheet is industrial stocks which are shown at values prescribed by the Superintendent of Insurance and amount to $780,984 as compared with $568,668 a year ago. Loans to policyholders are somewhat higher at $141,774, while outstanding premiums due and deferred show a decline at $106,472.

Two important changes are shown among liabilities, policy reserves being higher by nearly $250,000 at $1,592,088 while surplus available for policyholders including capital stock is down to $251,949 as compared with $283,636 a year ago. Capital stock paid in is shown at $492,900 indicating an impairment of capital amounting to $240,951 as compared with $209,349 a year ago.

LOSSES DECLINE IN FIRE BUSINESS OF NOR'WESTERN

Canadian Assets of Mutual Co. Now $948,500; Dividend Changes

Net earned premiums in Canada of $986,065 as compared with $1,018,257 in 1930, and a substantial improvement in loss ratio is reported by North Western Mutual Fire Association for 1931. Gross premiums written were $1,301,227 as compared with $1,346,135 a year ago. Ratio of losses incurred to premiums earned is shown at 39 per cent as against 52.8 per cent a year ago, while underwriting expense is slightly higher at 31.8 per cent of premiums earned as against 29.4 per cent in 1930.

After paying losses and adjustment expenses and all other charges Northwestern shows an underwriting gain for the year, in Canada, of $287,921 which together with interest and dividend earnings gives a total operating profit for the year of $352,578 of which $323,371 was paid as dividends to policyholders leaving a balance for net surplus of $29,207.

Premiums Nearly $8,000,000

The company's combined statement shows premiums written in United States and Canada of $7,794,749 with an operating profit on the year's total business of $1,536,000. On its combined United States and Canadian business, the company reports payment of $1,542,000 during 1931, as dividends to policyholders.

The company's assets in Canada show practically no change from a year ago, and now stand at $948,508 which includes the surplus addition of $29,207 from 1931 business.

Some changes in the company's scale of dividends paid to policyholders are announced as at March 1, 1932. The dividend of 30 per cent formerly paid to members of the Retail Merchants' Association who insure through the Northwestern Mutual has been reduced to 25 per cent on frame buildings and contents and on the contents of brick buildings. This deduction does not apply to the contents of drug stores.

Accordingly, for the year commencing March 1, 1932, the company's dividends are announced as being 25 per cent on all business written directly by the company, 30 per cent on drug store and contents (other than frame) written directly through the Druggists' Association, and 30 per cent on brick buildings written through the Retail Merchants' Association. Frame buildings and contents and the contents of brick buildings in the latter group are henceforth to receive 25 per cent dividend, as outlined above.

The Northwestern also reports a satisfactory experience in its automobile business, premiums written being approximately the same as a year ago with a loss ratio on a written basis of about 20 per cent.

Auto Premium Income Drops 7.2 Per Cent

A drop in premiums written of 7.2 per cent and an increase in the ratio of losses incurred to premiums written from 55 per cent to 57.8 per cent, is the experience of automobile insurance companies in Canada, according to preliminary returns of federally licensed companies published at Ottawa this week.

Net premiums written are $16,929,753 and losses incurred $9,785,410. Net premiums earned are $17,395,198. The ratio of losses incurred to premiums earned is 56.25 per cent as compared with 57.17 per cent a year ago. Comparative figures follow:

	1931 $	1930 $
Net prem. written	16,929,753	18,260,176
Losses incurred	9,785,410	10,043,063
Loss ratio (on above basis)	57.8%	55%
Net prem. earned	17,395,198	17,565,502
Loss ratio (on above basis)	56.25%	57.17%

Fire Company Loss Ratio Nearly 59 p.c.

Fire losses incurred in Canada in 1931 were 58.98 per cent of net premiums written according to preliminary figures released by G. D. Finlayson, superintendent of insurance at Ottawa this week. Net premiums written after deducting licensed reinsurance totalled $52,650,671, a drop of 4.29 per cent from 1930 while losses incurred were lower by 3 per cent at $31,050,910.

Analyzed by groups the returns show that British companies suffered the heaviest shrinkage in premium income during the year with a drop of 7.45 per cent while foreign companies (largely United States) reported premium income as only .9 per cent less than a year ago. On the basis of loss ratio, Canadian companies fared best with a loss of 57.54 per cent as compared with 55.2 per cent a year ago. British companies showed a loss ratio of 59.79 per cent as compared with 57.32 per cent a year ago while foreign companies improved their experience with a 59.84 per cent ratio as against 59.5 per cent in 1930.

Three Provinces Improve

Of the provinces, only British Columbia, Ontario and Quebec showed improved experience for the year, the Maritimes and the Prairie Provinces showing a higher loss rate than in 1930. Exceptionally heavy loss ratios were recorded in New Brunswick, Prince Edward Island and Saskatchewan.

Comparative figures for all data published to date by the insurance department at Ottawa are as follows:

Net Premiums Written in Canada

	1931 $	1930 $	% Change from '30 %
Canadian	10,786,193	11,194,969	—3.65
British	21,973,959	23,742,071	—7.45
Foreign	19,890,519	20,071,587	.90
Total	52,650,671	55,008,627	4.29
Losses Incurred			
All cos.	31,050,910	32,018,297	—3.01

Loss Ratio

Losses Incurred to Premiums Written

	1931 %	1930 %	1929 %
(a) By groups:			
Canadian	57.54	55.21	49.73
British	59.79	57.32	54.84
Foreign	58.84	59.50	54.99
All companies	58.98	58.21	53.69
(b) By provinces:			
Alberta	60.33	54.44	60.87
Brit. Columbia	49.89	61.71	53.24
Manitoba	53.59	51.48	40.74
N. Brunswick	84.52	63.55	65.12
Nova Scotia	64.55	48.11	48.53
Ontario	55.98	57.73	55.10
P. E. I.	124.63	42.78	154.00
Quebec	60.87	62.97	49.68
Saskatchewan	73.27	56.40	59.14
Yukon	.38	189.47	87.31

SASKATCHEWAN LIFE CONSERVES POSITION

Conservation of the company's assets in the face of prevailing conditions during 1931 is reflected in the annual report of the Saskatchewan Life Insurance Co., issued recently. Business issued amounted to only $1,562,869 as compared with $4,002,399 in 1930, and business in force is lower by $4,000,000 at $10,481,400, but assets are well maintained at $2,197,079 and surplus to policyholders increased.

Of total assets the company has $914,537 invested in first mortgages as compared with $982,756 a year ago. Bonds and debentures on the basis of government valuations are shown at $389,979, a decline of $31,000 while policy loans are higher at $638,049 as against $569,300 last year.

Surplus for shareholders and policyholders over and above capital stock of $100,000 is increased by over $7,000 to $230,000 and in addition the company has set aside $50,000 as investment reserve. Deferred dividend policies are credited with $137,048 while an additional $10,000 has been set aside for other profits to policyholders.

	1931	1930
Business Issued, Etc		
Business issued	1,5,62,869	4,002,399
Ins. in force	10,481,429	14,421,229
Assets, Etc.		
Total assets	2,197,079	2,205,998
Mortgages	914,587	982,756
Bonds & debs.	389,979	421,594
Policy loans	638,049	569,306
Surplus	230,030	222,755
Invest. res.	50,000	......

Current Events in Banking World

Savings Deposits Show Usual January Upturn

Bank Assets Follow Normal January Trend by Declining — Credit Conditions Slightly Firmer, Analysis Shows

Savings deposits in Canada held by the ten chartered banks showed the usual seasonal upturn in January, advancing almost 8¼ million dollars in the month to $1,368,278,419. While this figure is about 60½ million dollars under that for January, 1931, the increase for the month is much heavier than last year. Demand deposits at the end of January stood at the lowest point for any month since mid-1925 at slightly under $507,000,000 having declined nearly $60,000,000 since December, 1931.

Current loans in Canada at $1,070,718,470 showed a decrease during the month of over 11 million dollars to touch the lowest point since October, 1927. The total is $70,000,000 lower than a year ago.

The ratio of current loans to savings and demand deposits, which constitutes The Financial Post index of credit conditions, indicates a continuation of the firmer trend from the marked easy money condition recorded last November. Then the ratio was 62.6 per cent. It rose to 63.1 per cent in December and in January to 64.1 per cent, this comparing with 67.1 per cent a year ago.

Other notable changes revealed by the monthly bank statement for January include the usual seasonal contraction of gross assets, these standing at approximately 2,901 million dollars at which they were about $97,000,000 lower than at the end of December, and $121,000,000 lower than a year ago.

Quick assets are shown at $43,000,000 lower than in December, the chief items to decline being call loans abroad, down 17 millions; government securities down 10 millions; balances due from foreign banks, down nearly 12 millions; and gold reserves down 4 millions. Dominion notes were 3¼ million dollars higher. In comparison with January, 1931, however, quick assets are almost $20,000,000 higher, due largely to an increase of 71 million dollars in government securities held and $21,000,000 more in Dominion notes. Partly off-setting these increases, call loans abroad dropped nearly $54,000,000 in the year.

Other Securities Reduced

"Second line," securities are shown 18½ million dollars lower than in December, current loans, provincial and other public securities being chiefly responsible. Municipal loans on the other hand, were up over $7,000,000.

Among the liabilities, balances due to the Dominion Government were reduced 16½ million dollars to $94,650,000, and notes in circulation $7,340,000 to $133,673,369. Deposits in Canada were down 51½ millions to $1,875,221,000 while foreign deposits were 14 million lower at $296,000,000.

Comparative analysis compiled by The Financial Post is as follows:

ASSETS

	Jan., 1932 $	Dec., 1931 $	Change $	Jan., 1931 $	Change $
Immediately Available Liquid Resources					
Specie	64,911,161	65,816,786	—905,625	71,232,064	—6,320,903
Dom. notes	131,107,095	128,860,547	+3,246,548	110,166,517	+20,940,578
Gold reserve	21,581,732	25,731,732	—4,150,000	22,230,866	—649,134
Foreign banks	97,934,088	109,682,391	—11,748,303	107,610,009	—9,675,921
Foreign curr.	13,643,419	14,736,182	—1,092,763	15,386,369	—1,742,950
Govt. secs.	467,558,278	477,912,303	—10,354,025	396,766,008	+70,792,270
Call loans ab'd.	65,917,084	83,124,317	—17,207,233	119,743,618	—53,826,534
	862,652,857	905,864,258	—43,211,401	843,135,451	+19,517,406
Loans and Securities Other Than Those of Canadian Government					
Public secs.	144,874,846	154,109,577	—9,234,731	132,685,704	+12,189,142
Railway secs.	61,285,785	62,010,798	—725,013	63,556,586	—2,270,801
Can. call loans	131,174,742	134,730,957	—3,556,215	192,015,941	—60,841,199
Current loans	1,070,718,470	1,082,097,360	—11,378,890	1,141,110,017	—70,391,547
Loans abroad	189,726,460	188,357,012	+1,369,448	214,800,572	—25,074,112
Prov. loans	43,442,461	45,557,589	—2,115,128	26,311,619	+17,130,842
Mun. loans	132,864,154	125,689,588	+7,174,566	105,221,532	+27,642,622
	1,774,086,918	1,792,552,881	—18,465,963	1,875,701,971	—101,615,053
Other Assets					
Non-curr. loans	10,686,746	10,327,706	+359,040	7,676,447	+3,010,299
Real estate	6,580,375	6,567,341	+13,034	6,018,547	+561,828
Mortgages	6,293,232	6,252,704	+40,528	6,987,343	—694,111
Premises	79,913,747	79,785,470	+128,277	78,679,359	+1,234,388
Lets. of credit	51,353,335	55,473,413	—4,120,078	78,422,661	—27,069,326
Loans to comp.	12,748,323	14,311,291	—1,562,968	11,786,221	+962,102
Other assets	1,796,267	1,576,910	+219,357	1,848,890	—52,623
	169,372,025	174,294,835	—4,922,810	191,419,468	—22,047,443
Total	2,806,111,800	2,872,711,974	—66,600,174	2,910,256,890	—104,145,090
Note cir. dep.	6,822,186	6,823,976	—1,790	6,797,431	+24,755
Int. bank bal.	87,991,808	118,136,842	—30,145,034	104,818,723	—16,826,915
Gross	2,900,925,794	2,997,672,792	—96,746,998	3,021,873,044	—120,947,250
LIABILITIES					
To the Public					
Circulation	133,673,369	141,013,882	—7,340,013	141,438,920	—7,765,551
Dom. Govt.	94,650,375	111,098,699	—16,448,324	23,979,249	+70,671,126
Prov. Govt.	20,577,890	19,787,120	+790,770	23,622,783	—3,044,893
Govt. advances	43,000,000	46,500,000	—3,500,000	12,500,000	+30,500,000
Deposits by Public					
Demand dep.	506,942,776	566,584,565	—59,641,789	556,715,523	—49,772,757
Savings dep.	1,368,278,419	1,360,042,129	+8,236,290	1,428,736,686	—60,458,267
Total	1,875,221,195	1,926,626,694	—51,405,499	1,985,452,219	—110,281,024
Foreign dep.	296,184,569	310,086,314	—13,901,745	347,363,989	—51,179,420
Due to Banks Abroad, Etc.					
Un. Kingdom	3,678,573	4,849,181	—1,170,608	4,987,654	—1,309,081
Foreign	41,856,537	42,323,072	—466,535	57,279,856	—15,423,319
Bills payable	3,110,074	3,214,559	—104,485	4,806,437	—1,696,363
Lets. of credit	51,353,335	55,473,413	—4,120,078	78,422,661	—27,069,326
Other liab.	2,792,455	2,977,503	—185,048	3,535,019	—742,564
Public liab.	2,566,098,372	2,663,949,937	—97,851,565	2,683,388,787	—117,290,415
Due bet. banks	9,950,161	11,384,920	—1,434,759	13,047,256	—3,097,095
Liability to Shareholders					
Dividends	1,344,105	782,807	+561,298	1,350,374	—6,269
Reserve	162,000,000	162,000,000	....	162,225,000	—225,000
Capital	144,500,000	144,500,000	....	145,024,560	—524,560
Gross	2,883,892,638	2,982,617,664	—98,725,026	3,005,035,977	—121,143,339
Credit index*	64.1%	63.1%	+1%	67.1%	—3%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

B.C. Underwriters Increas Auto Insurance Rates

British Columbia Underwriters' Association have instituted a revised scale of automobile insurance rates, applicable to new policies written from February 15, last, and to renewals from March 1.

Specific changes, which resolve into increases from 9½ to 15 per cent all round on all types of cars, are as follows: Public liability, from 21 to 28 per cent higher according to type, weight and price of car; property damage, no change; collision, approximately 10 per cent higher; fire, decreased 10 per cent; theft, no change.

Bilingual Currency Move Crops Up Again in House

That Canadian currency be printed in both French and English is the burden of a resolution recently restored to the order paper in parliament at Ottawa. The following motion was made by O. L. Boulanger, member for Bellechasse, and agreed to by the Federal house:

"That the following resolution, namely: That, in the opinion of this house, in order to well establish that the population is bilingual and that the country was settled by two great races, it is desirable that Canadian currency should be in both official languages of Canada, be restored on the order paper under the provisions of standing order 52."

Bank Chat

The Dominion Bank announces the following staff changes:

E. R. CAMERON has been appointed western inspector with headquarters at Winnipeg.

M. E. ROBERTS, formerly manager at Sherbourne-Queen Sts. branch, Toronto, has been appointed manager at Kitchener, Ontario, and is succeeded at the former branch by T. C. GLENN, formerly manager at Bloor-Runnymede branch, Toronto.

W. A. CUNNINGHAM, formerly manager at Bloor St. and Avenue Rd. branch, Toronto, has been appointed manager at Bloor-Runnymede branch, Toronto.

WM. DAVIDSON, formerly accountant at Queen St. and Augusta Ave. branch, Toronto, has been appointed accountant at McCaul & Dundas Sts. branch, Toronto, and is succeeded at Queen St. and Augusta Ave. office by A. N. KIDD.

P. A. SIMPSON, formerly accountant at McCaul & Dundas Sts. branch, Toronto, has been appointed accountant at Dovercourt Rd. and Bloor St. branch, Toronto.

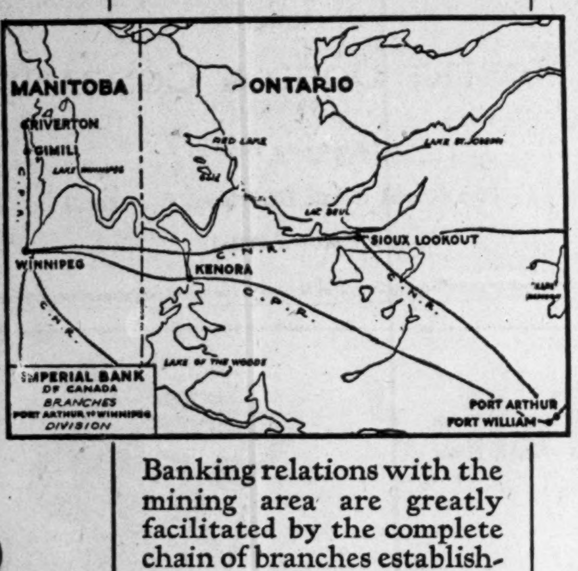
The Canadian Bank of Commerce announces that the branch at Eldersley, Sask., was closed on March 5.

Banque Canadienne Nationale announce the closing of the branch at Alexandria, Ont.

Weekly Bank Clearings

	Mar. 5, 1931	Mar. 3, 1932
Eastern Cities		
Halifax	$ 3,166,784	$ 2,379,406
Saint John	2,587,659	1,692,691
Moncton	894,935	811,022
Sherbrooke	952,394	622,238
Quebec	6,481,435	4,857,573
Montreal	123,028,435	86,699,559
Ottawa	6,458,026	5,346,624
Kingston	657,664	568,780
Peterboro'	799,892	539,030
Toronto	125,698,299	83,596,105
Hamilton	5,289,122	3,994,314
Kitchener	1,333,880	840,173
Brantford	1,151,942	793,283
London	3,252,888	3,095,805
Chatham	654,722	463,646
Sarnia	574,264	365,889
Sudbury	603,510	581,464
Windsor	3,543,575	2,179,340
Western Cities		
Fort William	$ 750,277	$ 572,843
Winnipeg	35,223,177	36,917,208
Brandon	421,280	361,301
Regina	3,752,284	3,354,852
Moose Jaw	855,917	514,852
Saskatoon	1,863,953	1,524,168
Prince Albert	424,359	338,598
Edmonton	5,162,069	3,901,262
Calgary	7,630,046	4,964,916
Medicine Hat	265,067	187,704
Lethbridge	457,449	325,450
New Westminster	726,099	502,198
Vancouver	16,874,808	14,892,535
Victoria	2,945,270	1,544,335

A Useful Contact With the Mines



Banking relations with the mining area are greatly facilitated by the complete chain of branches established by this bank, at important centres in the mining country.

415R

IMPERIAL BANK OF CANADA
HEAD OFFICE · TORONTO
Capital and Reserve $15,000,000
FRANK A. ROLPH, President
Col. J. F. Michie, Vice-President R. S. Waldie, Vice-President
A. E. Phipps, General Manager
230 BRANCHES THROUGHOUT CANADA

LEADING EXECUTIVES

are turning more and more to The Financial Post for information and an accurate picture of the basic conditions of business.

You cannot afford to miss reading each issue during the coming year. Articles of vital interest to Business men and Investors will be published, which will alone be well worth the subscription price of $5.00.

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Please send me The Financial Post for the next year (52 issues), this to entitle me to obtain by letter, a personal reply from the Investment Editor to enquiries regarding any Canadian investments in which I may be interested by simply supplying a stamped return envelope. I enclose $5.00.

Name ....
Occupation ....
Address 970

A Silent Partner

Take a silent partner into your business.

One able and willing to stand by you and yours when necessity arises.

One that will give you a certain fixed sum at a specified time — or bring you a regular income when you are no longer able to earn — or provide for those you love when you are no longer with them.

Life Assurance will do all this for you — and more.

Get details from your nearest Sun Life Representative.

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE-MONTREAL

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
FIRE AUTOMOBILE WINDSTORM
Insurance in force over $200,000,000.00
Total Assets over 3,000,000.00
Agents required in Ontario
Write Eastern Branch, 2 Toronto St., Toronto, Ont.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

THE CANADA NATIONAL FIRE INSURANCE COMPANY
Head Office: WINNIPEG
Toronto Office: 205 Brock Building
Walter J. Steer, Branch Manager
President, J. B. Coyne, K.C., Winnipeg, Man.
1st Vice-President, T. S. McPherson, Victoria, B.C.
2nd Vice-President, Allan S. Bond, Winnipeg, Man.
Applications for Agencies Invited

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA: HAMILTON, ONTARIO
Writing Fire and Automobile Insurance at Cost
Assets $5,010,673.96
ALL POLICIES NON-ASSESSABLE
Paying Dividends ranging from 25% to 40%
BRANCH OFFICES:
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, Saint John, Halifax and Charlottetown

PROTECTION

The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost.

This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.

Reserves—$36,827,055.00 Surplus—$2,680,759.27

Independent Order of Foresters
FRANK E. HAND, Supreme Chief Ranger HEAD OFFICE: TORONTO, CAN.

THE
ONTARIO EQUITABLE
LIFE AND ACCIDENT
INSURANCE COMPANY
Head Office — Waterloo, Ont.
Assets (Dec. 31, 1931) $ 8,125,139
Policy Reserves 6,846,054
Insurance in Force ... 51,355,672

Established 43 Years

The Dominion Life Assurance Company is completing its 43rd year of successful operation with a record of steady progress and consistent growth, which reflects a sound administration and an aggressive, safe, investment policy.

Insurance in Force
Decem'r, 1925 $81,677,030 Decem'r, 1931 $150,319,791
Assets
Decem'r, 1925 $12,375,516 Decem'r, 1931 $25,779,000

THE DOMINION LIFE ASSURANCE COMPANY
HEAD OFFICE - - WATERLOO, ONTARIO
S.5

FIRE · MARINE · AUTOMOBILE · ACCIDENT · SICKNESS · BURGLARY · GUARANTEE
BRITISH EMPIRE ASSURANCE COMPANY
HEAD OFFICE TORONTO

$55,000.00 paid out every working day during 1931 to our policyholders and their beneficiaries.

THE GREAT-WEST LIFE ASSURANCE COMPANY
HEAD OFFICE - - WINNIPEG

ESTABLISHED 1881
SOLID AS THE CONTINENT
A MUTUAL COMPANY
All Profits Paid to Policyholders
A Canadian Company
NORTH AMERICAN LIFE
Low cost assurance and liberal dividends. Economical and progressive management. Security for policyholders unexcelled. Assets of over $46,000,000 held solely for the benefit of the policyholders.

Pulp and Paper Industry

ABITIBI POWER REDUCED ITS BONDS AND BANK LOANS

Inventories Drastically Written Down—Working Capital Ratio Higher

LARGE OBLIGATIONS

Must See Abitibi Canyon Project Finished—General Power Commitments Secured

Abitibi Power & Paper Co. balance at credit of common shares and surplus dropped in 1931 from $61,609,365 to $57,784,218, a decline of $3,825,147 in the year. This was mainly due to a special write-down of $3,560,892 on wood to reduce inventories to the basis of current values as estimated by the management and another write-off of $745,500 for depreciation of investments in capital stocks of other companies. This means a total write-off of $4,306,392 but the total decline was only $3,825,147 because there was a net surplus for the year on all other transactions of $481,246.

Profit from operations for the year, after charging wood to manufacture on the basis of reduced prices resulting from the $3,560,892 write-off referred to, was $5,199,947 and the profit on nearly $1,000,000 worth of bonds purchased for sinking fund was $197,205, making total profit of $5,397,152 as compared with $7,374,337 in the preceding year. The disposition of this amount is shown in the following table:

CONSOLIDATED INCOME & SURPLUS ACCOUNT
Years Ended Dec. 31

	1931 $	1930 $
Net earnings	5,397,152	7,374,337
Less: Deprec. & depl.	1,293,571	1,666,524
Int. on fund. debt & other int.	2,801,608	2,786,070
Net profits	1,301,973	2,921,743
Less dividends:		
Pref. of Provincial Paper	245,000	245,000
7% pref.	52,500	70,000
6% pref.	523,227	2,092,908
Surplus for year	481,246	513,835
Add: Prev. surplus .	61,609,365	*61,595,530
Less: Spcl. w/d† ...	3,560,892	......
Trans. to invest. res.	745,500	500,000
Bal. carr. forward ..	57,784,219	61,609,365

*Includes earned surplus of Provincial Paper, after deduction of $125,000 paid in January, 1930, to former common shareholders of that company.

†Special write/down of wood to reduce inventories to the basis of current values as estimated by the management.

On the basis shown, interest on bonds and bank loans was earned by profits of the year 1.9 times before depreciation and depletion and 1.47 times after depreciation and depletion. This is equivalent also to $105.70 a share on 10,000 shares of 7 per cent cumulative preferred stock outstanding as compared with $267.67 a share in 1930, and to $2.83 a share on the 348,818 shares of 6 per cent preferred stock as compared with $7.47 a share in 1930. No dividends are being paid in 1932 except on Provincial Paper 7 per cent preferred stock.

Bank Loans Down $2,350,000

In following out its policy of inventory liquidation and in consequence of the large inventory write-off referred to of $3,560,892, the company's current assets dropped from $21,983,555 to $15,900,445 during the year but the ratio to current liabilities at the end of 1931 was 3.04 to 1 whereas a year earlier it had been 3.03 to 1. This result was attained mainly by reduction of the following liabilities: bank loans dropped from $4,500,000 to $3,400,000 and it is stated that they have since December 31 been further reduced to $2,150,000; accounts and bills payable were also reduced from $1,872,984 to $1,493,131; and dividends payable at the outset of the year had been reduced from $620,032 to $79,470.

It is interesting to note that inventories stand at $9,492,494 after continuous liquidation and a large write-off during the year, and this compares with $15,273,825 at the outset of 1931. Customers' accounts receivable also declined from $3,280,462 to $2,944,787 and other accounts receivable, including deposits on timber limits, fell from $469,228 to $405,825. Marketable bonds advanced, however, from $892,330 to $1,120,250 while cash was down slightly from $2,067,710 to $1,937,090.

Working Capital

	1931 $	1930 $
Current assets	15,900,445	21,983,555
Current liabilities ...	5,215,995	7,241,018
Working capital	10,684,450	14,742,537
Ratio	3.04—1	3.03—1

Reduced Bonded Indebtedness

During the year the company reduced its bonded indebtedness from $50,000,000 to $49,155,000 in addition to a reduction of Provincial Paper 5½ per cent first mortgage bonds due 1947 from $5,000,000 to $4,900,000, making a reduction altogether of nearly $1,000,000. It was the first year when the company had to make sinking fund provision on its 5 per cent bonds and the low market valuation of the bonds was of some assistance. It is being of very much greater assistance so far as sinking fund requirements for 1932 are concerned.

Fixed assets of the company at $116,887,717 are up about $150,000, and lands, timber limits, undeveloped water powers at $52,295,485 show an advance of $23,000. Investments in capital stocks of and advances to other companies show a marked advance from $2,081,636 to $7,897,268 and reserve increased from $500,000 to $1,509,500, leaving $6,387,768 against $2,081,636 a year earlier.

Depreciation and depletion reserve increased during the year from $27,319,327 to $28,607,431 and general and contingent reserve declined from $2,557,128 to $2,159,366.

Has Large Obligations

The company has an obligation of $4,250,000 in connection with the purchase of General Power & Paper Co., this obligation being secured, and a note to the balance sheet states that among the contingent and contractual liabilities of the company is $2,269,200 as guarantor of obligations of General Power & Paper Co. in connection with its purchase of Thunder Bay Paper Co. and its obligation in connection with subscription for shares of Newsprint Bond and Share Co. It also has an unknown contingent and contractual liability as guarantor of completion of plant of the Ontario Power Service Corp. It is understood that funds obtained from sale of Ontario Power Service bonds are sufficient to pay costs of work to July. The contract is to be finished by October 1, 1932.

General Power & Paper Co. is owned jointly by Canada Power & Paper Co., and it is a holding company owning all the stock of Thunder Bay Co., which owns a newsprint mill with a daily capacity of 246 tons of newsprint and a 90-ton groundwood pulp mill at Current River.

The amount of $57,784,218 shown as representing the surplus applicable to 1,088,117 no par value common shares is represented on the books of the company as earned surplus of $14,766,978 (as compared with $18,592,125 at the end of 1930), common stock account at $18,964,935 (no change) and capital surplus of $24,052,305, no change.

Purchase money obligation payable over 15 years totals $197,480 and that payable next December is $45,000, or $242,480 in all. A year earlier the total had been $300,645 with $210,645 payable over the long term and $90,000 up to 1932. There will therefore be a smaller liability on this score in 1932 than in 1931.

Commenting on the situation of the company Alexander Smith, president, states that while conditions show no sign of improvement in the immediate future, "it is well to remember that in comparison with other heavy manufacturing industries, newsprint consumption is being well maintained, further expansion is definitely ended for several years to come and there is an increasing tendency toward lower productive capacity through the elimination of obsolete plants which cannot continue to operate indefinitely under present competitive conditions."

PROXIES SOUGHT BY DIVERSIFIED STANDARD GROUP

Management Circularize Holders of Preferred Shares

From Our Own Correspondent

MONTREAL.—Claiming that as at the end of February, 60 per cent of the number of shares required to approve of the reorganization plan for the Diversified Standard Securities investment trusts had been recorded in favor of the new plan, a circular letter has been sent out to the shareholders urging them to send in their proxies.

In asking for support, the present management state that if the new plan is approved, it will be possible to make an immediate distribution of dividends on holdings; a market for the share will again exist; and that approximately $15,000 annually in unnecessary expenses will be saved.

Details of Letter

Following is the letter sent to shareholders, in part:

"At the meetings which will be held on March 23 all shareholders are asked to vote on the proposals which have previously been submitted. Whether you own one share or one hundred shares you owe it to yourself to vote your proxy, and for the sake of economy you are asked to have same returned as soon as possible.

"Let us again review the results if the approval of the required majority of shareholders is obtained, and also if approval is not obtained.

Pros and Cons

"If approved, (a) immediate distribution of dividends to you on your holdings will be possible, (b) a market for your shares will again exist, (c) approximately $15,000 annually in unnecessary expenses will be saved, and this amount can be used to increase the funds available for dividends to shareholders.

"If not approved, (a) distribution of a dividend during 1932 will be out of the question, and the possibilities thereafter are not encouraging, (b) there will be practically no market for your shares for quite some time, (c) approximately $15,000 annually will be spent in expenses for which the companies will receive no real value.

"As of this date 60 per cent of the number of shares required to approve of the proposals have been recorded in favor of the new plans, while only six proxies, representing 70 shares, have been voted against same. The returns show that your proxy has not yet come to hand and it is most important that the greatest possible number of shareholders take part in deciding this issue."

SUGAR REFINERY ADDS TO PLANT

Canadian Sugar Factories to Spend $250,000 at Raymond, Alberta

From Our Own Correspondent

LETHBRIDGE, Alta. — Announcement is made by the Canadian Sugar Factories, Ltd., of improvements to be made to their Raymond factory to cost $250,000. This information was given out by T. George Wood, general manager, who says this amount will be spent, despite the low price prevailing for sugar and the uncertainty of the general sugar situation, with the primary purpose of lowering the cost of production of refined sugar.

In order to attain this a Steffens plant will be installed to increase sugar recovery, for considerable sugar has been lost in the molasses by-product now used for livestock feeding.

As a result of these changes the capacity of the factory will be increased from 1,000 to 1,250 tons of beets a day which will enable the company to handle beets from a somewhat larger acreage this year.

Meanwhile, beet growers are still not advised as to what the price will be in their 1932 contracts. They received for their 1931 beets $5.50 a ton and intimations have been given of an additional bonus of from 50 to 75 cents a ton to be paid later in the year as the sugar is sold. This bonus is the result of the profit-sharing clause in the growers' contract.

The Raymond factory in 1931 turned out 31,000,000 pounds of sugar, approximately 50 per cent of the consumption of sugar in Alberta. Beet sugar is now offered in all parts of the province. The Raymond plant is owned and operated by the B. C. Sugar Refining Company, Vancouver.

700,000,000 BUSHELS CANADA'S WHEAT LIMIT

(Continued from page 9)

development of Marquis wheat and other early maturing varieties of wheat opened up a vast area in Western Canada which up to that time was closed to the production of wheat because it would not mature before the early frosts. Today somewhat the same process is going on with regard to drought-resistant wheats. It is claimed that one of the main reasons why the United States has been so largely increasing its acreage in such states as Montana, Kansas, Oklahoma and Colorado is due to the fact that plant breeders have been developing types of wheat that will grow on soils that up to a few years ago were considered unfit because of lack of moisture. But there is a good bit of evidence, however, to support the view that this element in the United States situation has been over-rated. It would appear that high prices for wheat have combined with a favorable rain-fall cycle to push up wheat production unduly in these dry areas. Dr. Isaiah Bowman, of the American Geographical Society, in his recent study of the Pioneer Fringe, leaves the impression that, in much of this territory, falling prices and the return of a less favorable rain-fall cycle, will eliminate much dry lands now devoted to wheat.

Saskatchewan and Manitoba Production

If you study the record of the production of wheat in the province of Saskatchewan, the major wheat-producing province of Western Canada, I do not see how you can fail to be struck by the fluctuations which occur from year to year in the volume of wheat that comes off the plains of Saskatchewan. What an element of chance it introduces into all the calculations of the farmer!

Manitoba's record tells us a different story. Instead of larger and larger crops being harvested the largest crop of wheat produced in Manitoba occurred as long ago as 1915, and the average crop for the last nine years has been under 40 million bushels.

Acreage Devoted to Wheat

For a more accurate picture of the trend of wheat production I turn to the acreage records. Take the Province of Saskatchewan. I have pointed out the great variations that appear from year to year in the volume of grain produced in this province, but when you turn to the acreage cultivated in wheat you will observe that there has not been, with one or two exceptions, any great change from year to year. Nor is there in the case of the Province of Saskatchewan any indication from acreage records that Saskatchewan is beginning in a big way to cultivate less wheat.

In Alberta and Manitoba, the areas dealt with are smaller than Saskatchewan, and they provide a contrast. In the case of Manitoba it is quite clear that there are less acres being devoted to wheat now than there was in years gone by and that this decline has been under way for six or seven years. In the case of Alberta you have a development very similar to the province of Saskatchewan. You will find a similar situation in the United States in the spring wheat areas. The state of Minnesota is gradually moving out of wheat production into dairying and other forms of cultivation while drought-resistant wheats have been enabling the state of Montana to expand production.

Type of Wheat Changes

In the Province of Manitoba, not only has there been a decline in the production of wheat but the kind of wheat that is being produced has also changed very materially. Durum wheat, which is employed in the manufacture of macaroni and spaghetti and wheat products other than bread, is of more importance to the province of Manitoba today than the hard spring wheat varieties devoted to the making of flour, which first established the reputation of Western Canada as a producer of wheat flours.

Contrasts in Record

Between 1910 and 1914 57 per cent of the acreage devoted to field crops in Manitoba was planted in wheat. For the five years between 1926 and '30, inclusive, the percentage shrunk to 37 per cent.

In contrast to the province of Manitoba, when a study of the three provinces is made the proportion of wheat lands to total land devoted to field crops is larger at the present time than it was 15 years ago. Between 1910 and 1914 the percentage was 57 per cent devoted to wheat. Between 1926 and 1930 the percentage was 63 per cent. Thus the decline in Manitoba has been more than compensated for by the increase in Alberta and Saskatchewan. Undoubtedly two reasons for this increase in the percentage devoted to wheat in these two provinces are:

(1) it is in Alberta and Saskatchewan that pioneer settlement is going forward most rapidly, and

(2) and of some importance the price relationships of wheat to other farm crops have been, at least until recently, out of their normal alignment.

Potential Wheat Yield

From the facts presented, I derive the conclusion that if Western Canada is to continue expanding her wheat acreage this expansion must take place in Saskatchewan and Alberta. But I think it is quite incorrect to assume that there are still vast areas of virgin soil to be taken up, which are just as good and are desirable in every way for the production of wheat as those areas which are already occupied.

The Saskatchewan Commission on Immigration of 1930, having examined the question of available lands, reported that the time had come to revise the opinion, so often expressed, that there were inexhaustible reserves of fertile soil in that province. It estimated that the remaining area of arable soil could not exceed 12 million acres and it stated that it would take many years to bring this land under cultivation. Should this figure be correct it would give the Province of Saskatchewan a total for occupied farms of 58 million acres.

Unsound Calculations

Many people when they hear that there still remains a certain area of land such as in the present instance, of 12 million acres, make a rapid calculation and, at say 20 or 25 bushels to the acre, come to the conclusion that there still remains a possible future expansion for wheat production in Saskatchewan of from 240 to 300 million bushels. But I do not think that that is a sound calculation. It makes no allowance for feed grains, for summer fallows, for pastures, for unfertile patches, for gardens, and for homesteads. At the present time in the Province of Saskatchewan there are occupied farms approximating 46 million acres. In 1928, Saskatchewan had its largest yield amounting to 321 million bushels. If an occupied farm area of 46 million acres will produce as a peak crop, 321 million bushels of wheat, on the same basis with an additional 12 million acres of farm lands placed in occupation we might expect a maximum yield of around 405 million bushels, or an addition of 85 million bushels. I admit this is a rough and ready way of estimating the future possibilities of Saskatchewan in the matter of wheat production but I venture to believe that it will come nearer to the truth than some estimates that are based on more abstruse methods of calculation.

Prospects in Peace River

When we turn to Alberta the particular area suitable for wheat is to be found in the Peace River district. Recent surveys show that there is an outside possibility of about seven million acres of undeveloped land capable of being used for wheat production. It is stated that in the long run about 60 per cent of this land can be used for wheat production only if the price of wheat were high. The present occupied farm lands in Alberta amount to 29 million acres. The largest wheat crop harvested in Alberta amounted to 171 million bushels. Applying the same rough method of calculation to Alberta as we did in the case of Saskatchewan, the development of the Peace River area might add approximately 40 million bushels to Alberta's wheat production. Hence from this calculation we arrive at a possible maximum wheat crop in Western Canada of around 670 million bushels. Probably it would be wiser to say between 670 and 700 million bushels, for although I have used in my calculations the maximum yield in each province yet a larger yield in an exceptional year is not at all impossible.

Some Further Possibilities

It might be urged in support of a much larger figure that

(a) the use of fertilizers in Western Canada is likely to take place and that this will increase the yield per acre;

(b) the mechanization of farm enterprises will reduce the areas necessary for feed crops and thus increase the areas for wheat;

(c) the price relationships may favor a reduced production of other cereals and increase wheat production;

(d) that the work of the plant breeder, to which I have previously alluded, may falsify all predictions.

All of these possibilities may be realized and may prove that the figure I have suggested in the light of present experience is inadequate.

Pass From Pioneer Stage

Conversely, in support of a smaller figure it can be pointed out the definite trend is downward in Manitoba. I will show in a few moments that there is a considerable area in both Saskatchewan and in Alberta now largely used in the production of wheat that does not produce wheat of the highest quality and is technically suitable to mixed farming. I believe that, as the Provinces of Saskatchewan and Alberta pass out of the pioneer stage and as farmers gradually increase their capital resources, areas now devoted to wheat, capable of use for other forms of cultivation, will be so used. Please note that the figure I suggest, of 670 million to 700 million bushels, is a maximum figure, not an average figure. An average figure implies a period of years of more or less stabilized conditions, but neither Alberta or Saskatchewan have reached such a point in their history.

I am aware that the estimate I have made is below many estimates that have been made in the past. The estimate submitted by Dr. Saunders to Professor Mavor, in 1904, was 800 million bushels. I am, as you observe, below that estimate. There have, of course, been many other higher estimates. In 1902, the Deputy Minister of Agriculture for Manitoba, estimated a maximum yield for that province by 1912, of 168 million bushels. But Manitoba did not reach her maximum until 1915 and then it was 69 million bushels, while her average yield for the last five years has approximately been 43 million bushels. In 1912 it was suggested that Saskatchewan would have a yield of 500 million bushels by 1921. Her greatest yield to date came seven years later and was 321 million bushels. In 1911 the wheat-growing capacity of the Peace River area was placed at 500 million bushels. Wheat production in that area up to the present time has not exceeded 14 million bushels. From time to time the general statement has been given currency, that in the western provinces wheat production will continue until it reaches what is estimated to be a normal stabilized crop of 1,000 million bushels. This is 20 per cent over that which is currently produced by the United States, and would leave us, even with our population doubled, with an export surplus sufficient to supply all present international demands for wheat regardless of the fact that there are other countries besides Canada that have wheat to export.

The general conclusion I draw from the data I have so far presented is that Manitoba is rapidly approaching a stabilized position and that any increase in that province will come only in response to relatively high prices for wheat, but that in Alberta and Saskatchewan there still remain important areas to be pioneered and that more wheat than has yet been produced is likely to come from those provinces.

But it is certain, I think, that after Saskatchewan and Alberta reach the point of maximum production there will be a considerable decline just as there has been in Ontario, Manitoba, Minnesota and elsewhere. The question is: with what volume of wheat production will these provinces finally stabilize their methods of agriculture? Two facts which have a bearing on the problem are:

(1) there is a very large area in these provinces technically better suited to the production of wheat than to any other product;

(2) the wheat produced within this area is of the very highest quality.

The final article in this series will discuss Canada's future in world wheat export.

PENMANS BETTERS FINANCIAL POSITION

Balance Sheet Improved Though Earnings Were Lower

From Our Own Correspondent

MONTREAL.—Though earnings of Penmans Ltd. in the year ended December 31, 1931, were lower than those of the previous year, amounting to $313,578 compared with $332,977, balance sheet position of the company was considerably strengthened. Working capital at $2,194,253 showed a decline of $250,000 but ratio of current assets to current liabilities was 18 to 1 contrasted with a ratio of 4 to 1 reported at the end of 1930.

The improvements in liquid position were due to the liquidation of bank loans which at the end of 1930 totalled $650,000. Amounts payable last year were also lower by $38,000 at $89,092. During the year $24,000 of 5½ per cent first mortgage bonds were redeemed leaving outstanding $1,892,000 and a reserve account of $742,046 was preserved.

In assets inventories have shown a sharp reduction amounting to $1,505,404 compared with $2,332,010. Cash is up $7,000 at $136,737 though accounts receivable were reduced by $36,000 to $645,265.

Sales in 1931 amounted to $5,352,128 a decline of 10.54 per cent from those of 1930. Earnings were equal to $13.49 a share on the 6 per cent preferred stock, and $1.25 a share on the common stock. During 1931 a distribution of $4 a share was made on the common; this has now been reduced to $3 a share.

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Murray Bay, Que. Sault Ste. Marie, Ont.
Beaupre, Que. Iroquois Falls, Ont.
Sturgeon Falls, Ont. Smooth Rock Falls, Ont.
Espanola, Ont. Fort William, Ont.
Pine Falls, Manitoba
Daily Capacity 2200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

GEORGE F. HARDY
Consulting Engineer
305-309 Broadway, New York City, N.Y.
Member:
Amer. Soc. C.E. Amer. Soc. M.E. Eng. Inst. Can.
Consultation Paper and Pulp Mills
Reports Hydro-Electric and
Valuations Steam Power Plants
Estimates Plans and Specifications

Fire Prevention Pays

Record of Dividends Paid to Policyholders

YEARS	
1901-1905	$357,342.03
1906-1910	$643,996.16
1911-1915	$1,017,446.09
1916-1920	$2,184,739.62
1921-1925	$4,834,132.63
1926-1930	$6,917,495.48
1931	$1,544,808.67
TOTAL 1901-1931	$17,499,960.68

Co-operation Between Property Owners and Insurance Company Resulted In Our Policyholders Receiving $1,544,808.67 In Dividends During 1931

These Dividends Paid to Policyholders Represent Savings to Property Owners Based on Charging Standard Rates.

A Tribute to Mutual Principles and Sound Conservative Management

Canadian Statement, 1931 Operations
Compiled in Accordance With the Dominion Government Insurance Department's Requirements for Recording in the Government Blue Book.

NET EARNED PREMIUMS		$. 986,065.48
Losses and Adjustment Expenses	$384,417.14	
All Other Expenses	313,727.65	
		698,144.79
Underwriting Gain		$ 287,920.69
Dividends Received from Reinsurance Cos.		29,283.31
Interest Earned		35,373.90
OPERATING PROFIT		$ 352,577.90
DIVIDENDS PAID TO POLICYHOLDERS IN CANADA		$ 323,370.86
INCREASE IN NET SURPLUS		$ 29,207.04
TOTAL ASSETS IN CANADA		$ 948,508.00
Dividends Paid to Policyholders in Canada Now Exceed		$2,500,000.00

Combined Statement Canada and U.S.A.

Premiums Written	$7,794,749.16
Return Premiums	1,824,737.33
Net	$5,970,011.83
Losses Paid to Policyholders	$2,632,963.83
Dividends Paid to Policyholders	1,544,808.67

TOTAL ADMITTED ASSETS BELONGING TO POLICYHOLDERS $4,616,449.70
WRITING FIRE AND AUTOMOBILE INSURANCE AT ACTUAL COST

Northwestern Mutual Fire Association
(Retail Merchants Insurance Department)
CANADIAN HEAD OFFICE — HAMILTON, ONTARIO
BRANCH OFFICES: Vancouver, Edmonton, Saskatoon, Winnipeg, Toronto, Ottawa, Montreal, St. John, Halifax, Victoria, Calgary, Quebec City

PENMANS LIMITED
General Offices: Paris, Ontario
Manufacturers of High-Grade
KNITTED UNDERWEAR, HOSIERY, and OUTERWEAR
Mills at: Paris, Brantford, London, Waterford, Ontario; Coaticook and St. Hyacinthe, Quebec

Selling Agents to the Wholesale Trade: John Gordon & Sons, Limited, Montreal and Toronto.
Selling Agents to the Retail Trade: Bryce Sales Limited, Calgary, Winnipeg, and Vancouver.
Sales Offices: Montreal, Quebec, Toronto, Ottawa, London, Hamilton, Halifax, Saint John, N.B.
Export Representatives: Great Britain and Ireland: Liddell & Mitchell, Glasgow, Scotland. Taylor & Shelmerdine, Manchester, England. W. J. Cutcliffe, London, England. A. Lowry, Belfast, Ireland.
Australia: Hugh Scott-Young, Melbourne, Australia.
New Zealand: H. W. Airey, Ltd., Auckland, Dunedin, Wellington.
South Africa: L. C. Carrick, Johannesburg.
Newfoundland: S. Elliott & Co., St. John's.
British West Indies: Wilson & Johnstone, Ltd., Port-of-Spain, Trinidad. L. W. Huddle, Kingston, Jamaica.
China, Hongkong & Japan: Horn & Nobbins, Shanghai, China.
British Malaya. T. B. Rogers & Co., Ltd., Singapore, Straits Settlements.
Peru: M. E. Biber, Lima.
Argentine: E. L. Clough, Buenos Aires. **India:** H. Maddison, Calcutta.

GEORGE A. FULLER COMPANY of CANADA LIMITED

BUILDING CONSTRUCTION

DIRECTORS
R. G. Babbage — D. I. McLeod
W. A. Black — H. T. Hunter
L. R. Crandall — N. L. C. Mather
Geo. T. Pepall — Wilmot L. Matthews
J. J. Gibson — J. F. McPherson
Hon. J. M. Wilson

TORONTO
MONTREAL

SERVICE · EXPERIENCE · ORGANIZATION

Canadian Locomotive Company
LIMITED

TWENTIETH ANNUAL REPORT
Balance Sheet at the 31st December, 1931

ASSETS

Fixed Assets—		
Land, Buildings and Equipment as valued by the Canadian Appraisal Company Limited at the 30th June, 1924, together with net additions to the 31st December, 1930	$4,191,088.98	
Net additions during year	13,513.44	
	4,204,602.42	
Goodwill	1,000,000.00	
		$5,204,602.42
Sinking Fund Investment Account—		
Uninvested Funds in hands of Trustees		20,311.83
Investments—		
Grand Trunk Railway Perpetual 4% Consolidated Debenture Stock, guaranteed by the Dominion of Canada, par value £161,000/0/0 — at cost	668,111.82	
Province of Ontario, 4½% Bonds due 15th May, 1967, par value $100,000.00 — at cost	96,510.00	
Canadian National Railways 4¾% Bonds due 15th June, 1955, par value $250,000.00 — at cost	253,200.00	
Grand Trunk Pacific Railway 3% First Mortgage Gold Sterling Bonds, guaranteed by the Dominion of Canada due 1st January, 1962, par value £17,800/0/0—at cost	66,637.14	
(Market Value — $863,755.16.)		
	1,084,458.96	
Add: Net Amortization of Bond Discounts and premiums	760.70	
	1,085,219.66	
Add: Accrued Interest thereon to date	1,087.67	
		1,086,307.33
Current Assets—		
Inventories of Work in Process and Materials and Supplies valued at Cost or Market whichever is lower as certified by officials of the Company	158,671.69	
Trade and Miscellaneous Accounts Receivable — Less Reserve	2,738.81	
Cash in Banks and on Hand	18,953.03	
		180,363.53
Deferred Charges to Future Operations		39,213.60
Profit and Loss Account—		
Balance at debit thereof—Statement II		32,138.41
		$6,562,937.12

CAPITAL AND LIABILITIES

Capital Stock—			
Authorized: 35,000 shares of $100.00 each	$3,500,000.00		
Issued:			
15,000 7% Cumulative Preference Shares fully paid		1,500,000.00	
20,000 Ordinary Shares, fully paid		2,000,000.00	
			$3,500,000.00
First Mortgage 6% Forty Year Gold Sinking Fund Bonds, Due the 1st July, 1951—			
Authorized	$2,000,000.00		
Whereof Issued		1,500,000.00	
Less: Amount purchased and held by Trustees		414,700.00	
			1,085,300.00
Current Liabilities—			
Bank Loans secured		600,000.00	
Trade Accounts Payable, Wages and other Miscellaneous Balances		27,625.29	
Bond Interest Accrued Coupon No. 41 (paid the 2nd January, 1932)		45,000.00	
			672,625.29
Reserve for Depreciation—			1,305,011.83
			$6,562,937.12

NOTE:—Dividends on the 7% Cumulative Preference Shares have been paid up to the 31st December, 1929.

WM. HARTY, Director.
WM. CASEY, Director.

AUDITORS' REPORT AND CERTIFICATE

To the Shareholders, Canadian Locomotive Company Limited, Kingston, Ontario

We have examined the books and accounts of the Canadian Locomotive Company Limited for the year ended the 31st December, 1931, and in accordance with the Companies' Act (Dominion) we report that we have obtained all the information and explanations we have required and that, in our opinion, the attached Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs at the 31st December, 1931, according to the best of our information and the explanations given to us and as shown by the books of the Company.

GEORGE A. TOUCHE & CO.,
Chartered Accounts,
Auditors.

Dated at Toronto, Ontario
25th February, 1932.

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED THE 31st December, 1931

NET LOSS for the year ended the 31st December, 1931, before providing for depreciation and other items as shown below		$148,082.67
Add:		
Bond Interest	$ 90,000.00	
Provision for Depreciation	159,257.94	
	249,257.94	
Less:		
Income from Sinking Fund Investments for the year ended the 31st December, 1931	24,257.94	
	225,000.00	
Province of Ontario Corporation Tax	3,134.32	
		228,134.32
		376,216.99
Deduct:		
Interest on Investments plus Net Amortization of Bond Premium and Discount		50,911.97
NET LOSS for the year ended the 31st December, 1931		325,305.02
Deduct:		
Balance at credit 1st January, 1931	$290,540.64	
Excess provision for Dom. Income Tax, 1930		2,625.97
		293,166.61
BALANCE AT DEBIT 31st December, 1931—Statement I		$ 32,138.41

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Markets

WEEK ENDING MARCH 7

Range 1932 High	Range 1932 Low	Divd. Rate in $	Yield in % Mar. 5		Sales	Close Feb. 29 (or last)	Week Ending —Mar. 7— High	Low	Close
3	2½	.	...	Abitibi, c.	510	2½	3	2½	2⅝
9⅞	6	.	...	Do. pref.	25½	8	7¾	7⅝	7½
x105	80	.	...	Do. pref.	....	80½	..	..	..
80	80	7	8.8	Acme F. D'y, p	....	80	..	..	..
5	4½	.	...	Agnew Surp.	100	5	5	4½	5
x88	83	7	8.4	Do. pref.	....	83	..	..	..
7	4	.	...	Alta. Pac. Gr.	30	4	4⅜	4	4⅜
25	20	.	...	Do. pref.	40	20	20	20	20
2½	2½	.	...	Amal. Electric	75	..	2½	2½	2½
10½	9	.	...	Do. pref.	....	10	..	..	..
x3½	2½	.	...	Anglo N. Hold.	....	3½	..	..	..
.37	.15	.	...	Asbestos	320	.20	.20	.15	.20
1.00	.60	.	...	Do. pref.	48	.65	.75	.60	.65
6	5½	60c	10	Assoc. Brew.	35	5½	6	5½	6
69½	68½	7	10.1	Do. pref.	....	69½	..	..	..
10	3	.	...	Assoc. Can.	....	3	..	..	..
x69	65	4+50	..	Assoc. Tel.	....	66	..	..	..
18½	18½	.	...	Atlan. Sugar	....	18½	..	..	..
92½	92	.	...	Do. pref.	....	92½	..	..	..
159½	159½	10	6.3	Bk. Can. Nat.*	....	159½	..	..	..
225	215	12	5.6	Bk. Montreal*	....	215	..	..	..
274	267	16	5.9	Bk. N. Scotia*	3	269	269	269	269
193	193	12	6.2	Bk. Toronto*	....	193	..	..	..
x24	8½	.	...	Barcelona	....	15	..	..	..
2½	2½	.	...	Bathurst Pr.	....	2½	..	..	..
1	1	.	...	Do. (B)	5	1	1	1	1
‡26	26	.	...	Bawlf Grain	....	..	..	..	..
x25	20	.	...	Do. pref.	....	20	..	..	..
x12	6	.	...	Beath & Sons.	....	6	..	..	..
10	10	1	10	Beatty Bros. A	5	10	10	10	10
60	57	6	10	Do. pref.	....	60	..	..	..
3½	1	.	...	Beauharnois	27898	1⅛	1⅛	1	1⅛
x93	85	7	8.2	Belding Cort.	....	85	..	..	..
x100	90	7	7.8	Do. pref.	....	90	..	..	..
x55	10	.	...	Belgo C. P. pf	....	10	..	..	..
120	107½	8	7.2	Bell Telephone	1651	109¾	110½	109½	109¾
2	2	.	...	Biltmore Hats.	....	2	..	..	..
x65	45	7	..	Do. pref.	....	45	..	..	..
4	2	.	...	Bissell, T. E.	....	2	..	..	..
‡97	88	.	...	Do. pref.	....	..	..	..	..
8	5	.	...	Blue Ribbon	....	5	..	..	..
25	12	2	13.3	Do. pref.	....	15	..	..	..
20	17½	2	11.3	Brant. Cd. pf.	535	20	20	17¾	17¾
14¾	10⅜	1	6.8	Brazilian Tr.	17125	13⅞	14¾	13¾	14⅛
x¾	⅜	.	...	Brew. & Distil.	....	⅜	..	..	..
1	⅜	.	...	Brewing Corp.	....	⅜	..	..	..
3½	2	.	...	Do. pref.	45	2	2½	2½	2½
10¾	9⅝	80c	7.6	Brit. Amer. Oil	4052	10⅛	10⅝	10	10⅝
1½	1	.	...	B.C. Packers	200	1½	1½	1¼	1¼
6¼	4½	.	...	Do. pref.	10	6	5	5	5
26	21	2	8.3	B.C. Power	1809	21½	24	21	23¾
7½	5⅜	.	...	Do. (B)	1516	6	7½	6	7¼
4	4	.	...	Bruck S. Mills.	35	..	4	4	4
20½	17	2	10	Building Prod.	166	19	20	19	19
32	28	3	10.3	Burt, F. N.	15	29	29	28	28
x146	137	6	4.4	Calgary Pr.*	....	137	..	..	..
3	2	.	...	Canada Bread	40	2½	2	2	2
85	82	7	8.4	Do. pref. (A)	....	83	..	..	..
25	25	2	8	Do. pref. B.	....	25	..	..	..
9	7	1	12.5	Canada Bud	210	7⅞	8½	7⅞	8½
7	5½	.	...	Can. Cement	584	6¾	7	6½	7
66	61	6.50	10.3	Do. pref.	144	62½	63¾	62	62
b13½	10	1.20	10	Canada Dry	4400	10⅞	12½	11⅝	12¼
6	5	.	...	Can. Forg. (A)	....	5	..	..	..
‡16	5	.	...	Do. (B)	....	..	..	..	..
x68	60	3	5	Canada Iron	....	60	..	..	..
x80	75	6	7.5	Do. pref.	....	80	..	..	..
x650	630	20	...	Canada Life	....	630	..	..	..
14	11¾	1.50	11.1	Can. Malting	180	13	14	13	13⅛
x25½	15	80c	4.1	Can. Nor. Pr.	....	19½	..	..	..
x107	104	7	6.6	Do. pref.	....	106	..	..	..
x6	⅜	.	...	Can. Paving	....	⅜	..	..	..
x51	10½	.	...	Do. pref.	....	10½	..	..	..
186	185	12	6.5	Can. Perman.*	....	185	..	..	..
1	½	.	...	Can. Pr. & Pa.	....	½	..	..	..
2	2	.	...	Can. Steamsh's	....	2	..	..	..
9	5	.	...	Do. pref.	95	5	7	7	7
16	14	1.60	10	Can. Vinegars	10	14½	16	15½	16
55	47	4	8.5	Can. W. Cable	5	47	47	47	47
18	12⅜	.	...	Do. (B)	465	12⅞	12⅜	12⅜	12½
1¼	1¼	.	...	Can. Bakeries	....	1¼	..	..	..
14	12	.	...	Do. pref.	....	12	..	..	..
191	186	12	6.4	Can. Bk. Com.*	....	186	..	..	..
x36½	19	1.25	6.6	Can. Bronze	....	19	..	..	..
102	102	7	6.9	Do. pref.	....	102	..	..	..
x13¼	8	20c	2.5	Can. Canners*	....	8	..	..	..
80	80	6	7.5	Do. 1st pf.*	....	80	..	..	..
9	9	68c	7.5	Do. 2nd pf.*	15	9	9	9	9
7½	6¼	1	13.3	Can. Car & F'y	1315	6½	7½	6½	7½
16	14½	1.75	11.3	Do. pref.	531	15	15½	14⅞	15½
5½	4½	.	...	Can. Celanese.	....	5½	..	..	..
x73½	59	7	10.8	Do. pref.*	....	65	..	..	..
x58	30	2	6.7	Can. Convert.	....	30	..	..	..
‡50	45	.	...	Can. Cottons	....	..	..	..	..
60	60	6	10	Do. pref.	....	60	..	..	..
13½	12	.	...	Can. Dredge	30	12½	13½	13½	13½
x92	92	7	7.6	Do. pref.	....	92	..	..	..
68	68	6	8.8	Can. Fairb. pf.	....	68	..	..	..
4	3½	.	...	Can. For. Inv.	....	4	..	..	..
x80	70	8	...	Do. pref.	....	77	..	..	..
x300	200	4	2	Can. Gen. Elec.	....	200	..	..	..
58	54	3.50	6.2	Do. pref.	20	55	56	56	56
66	66	6	9.1	Can. Hy. E. pf.*	....	66	..	..	..
1½	1	.	...	Can. Ind. Alc.	45	1⅛	1⅛	1⅛	1⅛
.80	.50	.	...	Do. (B)	....	.60	..	..	..
x5.00	3.95	.	...	Can. Int. I. Tr.	....	3.95	..	..	..
x70	64½	.	...	Do. pref.	....	65	..	..	..
20	20	1	5	Can. Lt. & Pr.	....	20	..	..	..
x18	1	.	...	Can. Locomo.	....	1	..	..	..
x25	5	.	...	Do. pref.	....	5	..	..	..
b1½	⅞	.	...	Can. Marconi	2400	1	1½	1	1⅛
12	10	1	8.3	Canadian Oil	120	12	12	11½	11½
98	98	8	8.2	Do. pref.	....	98	..	..	..
22⅞	13¼	1.25	5.5	Can. Pacific	35504	19⅞	22⅞	19⅝	21
x6½	5	.	...	C. Pr. & P. Inv	....	5	..	..	..
2½	2	.	...	Can. Vickers	55	2½	2⅛	2⅛	2⅛
20½	20½	.	...	Do. pref.	....	20½	..	..	..
2¾	2	20c	8.9	Can. Wineries	....	2¼	..	..	..
7½	6	1	16.6	Can. Wire Box	75	7	6	6	6
12	9	.	...	Catelli Mac. A	80	10	9	9	9
x5	5	.	...	Do. (B)	....	5	..	..	..
x301	290	12+2	4.7	Cent. Can. L'n*	....	300	..	..	..
2.05	1.44	10c	...	Chem. Research	915	1.50	1.59	1.50	1.52
7.25	6.00	30c(c)	...	Cities Service	....	6.75	..	..	..
6	4½	.	...	Cockshutt Plow	230	5¼	5½	5	5½
2	2	.	...	Comm. Alcohol	....	2	..	..	..
3½	1½	.	...	Conduits	140	3	1½	1½	1½
x94	84	7	7.8	Do. pref.	....	90	..	..	..
8	5	1	18.2	Cons. Bakeries	380	5⅞	6	5	5⅜
1	½	.	...	Cons. Food Pr.	....	½	..	..	..
x6	3	.	...	Do. (A)	....	3	..	..	..
5	4	.	...	Cons. Indust.	95	4	4¼	4	4
x5	5	.	...	Cons. Paper	....	5	..	..	..
15	15	.	...	Cons. Press	....	15	..	..	..
30	30	7	...	Cons. Sand. pf.	50	30	30	30	30
75	64	2.50†	3.4	Cons. Smelters	2275	[illegible]	75	68	74
166	151	10	6.5	Consumers Gas	96	151	154	151½	154
‡85	30	.	...	Cooksville Co.	....	..	..	..	..
‡85	85	.	...	Do. pref.	....	..	..	..	..
x20½	15	.	...	Corpor. Steel	....	15	..	..	..
‡90	90	.	...	Corr. P. Box pf	....	..	..	..	..
3¼	2¾	.	...	Cosgrave Br.	580	3¼	3¼	3¼	3¼
5	3½	.	...	Cosmos Imp.	....	4½	..	..	..
68	62	7	11.3	Do. pref.	....	62	..	..	..
3	2	.	...	Crown Do. Oil	60	2	2½	2½	2½
13	9	3	...	Crow's N. Coal	25	9	12	12	12
1¼	1¼	.	...	David & Fre. B	70	..	1¼	1¼	1¼
x12½	12½	.	...	De Havilland	....	12½	..	..	..
x9	5	.	...	Disher Steel	....	5	..	..	..
x10	10	1.50	15	Do. pref.	....	10	..	..	..
6⅞	3½	.	...	Distill-Seagram	690	3¾	5	3½	3¾
194	189	12	6.3	Dominion Bk.*	....	189	..	..	..
37	27	2.50	9.2	Dom. Bridge*	....	27	..	..	..
x40	40	.	...	Dom. Coal*	....	40	..	..	..
22½	21	.	...	Dom. Engineer	....	21	..	..	..
‡14	10	.	...	Dom. Found.	....	..	..	..	..
x126	82	5	6.1	Dom. Glass*	....	82	..	..	..
112	100	7	7	Do. pref.	....	100	..	..	..
5½	3	40c	11	Dom. Motors	30	4	3¾	3½	3½
7½	3½	.	...	Dom. Pr. Stubs	635	4	5¼	4½	5¼
2½	1¾	.	...	Dom. St. & CB	405	2	2	2	2
x24	24	.	...	Dom. Steel, pf.	....	24	..	..	..
20	16½	1.20+30c	7.5	Dom. Stores	813	17¼	20	17¼	19
4	4	.	...	Dom. Tar & Ch	....	4	..	..	..
x95	79½	6.50	8.2	Do. pref.	....	79½	..	..	..
63¼	50	5	9.6	Dom. Textile	271	50	52	50	52
105	105	7	6.7	Do. pref.	11	..	105	105	105
x12	10	.	...	Donnacona	....	10	..	..	..
2	1¼	.	...	Dryden Pap.	530	1¼	1½	1¼	1¼
4	3	.	...	Duff. Paving	....	3	..	..	..
49	45	7	15.5	Do. pref.	....	45	..	..	..
20	20	.	...	East Koot. Pr.	....	20	..	..	..
x97	94⅜	7	7.3	Do. pref.	....	96	..	..	..
16	16	1	6.2	East. Dairies	....	16	..	..	..
x20	16	50c	...	East. Steel*	....	16	..	..	..
x100	97	7	7.1	Do. pref.*	....	98	..	..	..
‡34	28½	2	...	East. Theatres	....	..	..	..	..
‡85	80	7	...	Do. pref.	....	..	..	..	..
x3¾	3¾	.	...	Easy Washer	....	3¾	..	..	..
x37	34¾	1.75	4.7	Economic Inv.*	....	37	..	..	..
x15	15	.	...	Edmonton D'y	....	15	..	..	..
x80	78⅜	6.50	8.3	Do. pref.	....	78⅜	..	..	..
4	4	.	...	Enam. & Heat.	....	4	..	..	..
19	19	3	15.8	Eng. Electric	....	19	..	..	..
2½	1½	.	...	Do. (B)	....	1½	..	..	..
x39½	16	2	..	Fam. Players	....	18	..	..	..
x33½	18	2	..	Do. Vot. Tr.	....	18	..	..	..
10	10	1	10	Fanny Farmer.	....	10	..	..	..
29	28	2.40	8.6	Do. pref.	....	28	..	..	..
‡83½	75	.	...	Firstbrook Box	....	..	..	..	..
16⅞	11	.	...	Ford Motors A	1617	16¼	16¾	16	16⅞
3⅜	3⅜	.	...	For. Pr. Secs.	....	3⅜	..	..	..
9	9	1	11.1	Foundation Co.	10	9	9	9	9
1¼	1	.	...	Fraser Cos.	350	1	1¼	1	1
x8	5	.	...	Frost Steel	....	7	..	..	..
x96½	85	7	8.2	Do. pref.	....	85	..	..	..
2½	1⅞	.	...	Gen. St. Wares	827	2	2	1⅞	1⅞
80	70	5	6.2	Goodyear Tire	15	80	80	80	80
93½	89	7	7.7	Do. pref.	37	92	92	90	90½
x93¼	93¼	7	...	Gould Pumps p	....	93¼	..	..	..
¾	¾	.	...	Gt. W. Saddlery	....	¾	..	..	..
x8	6	.	...	Do. pref.	....	8	..	..	..
21	19	1.60	8.4	Gurd, Chas.*	5	19	19	19	19
5	3½	.	...	Gypsum, Lime	155	3½	4½	3¾	4
7	4½	.	...	Ham. Bridge	53	5½	5⅜	5	5¼
x80	63	6.50	10.1	Do. pref.	....	64	..	..	..
10	10	.	...	Ham. Cot., pf.	....	10	..	..	..
1½	1¼	.	...	Ham. U. Theat	....	1¼	..	..	..
53	48½	7	14.4	Do. pref.	....	48½	..	..	..
4	3½	.	...	Hayes Wheel	....	3½	..	..	..
‡95	80	.	...	Do. pref.	....	..	..	..	..
‡50	50	.	...	Hillcrest Coll.	....	..	..	..	..
‡91	91	.	...	Do. pref.*	....	..	..	..	..
1¾	1	.	...	Hinde & Dauch	350	1¾	1¾	1½	1¾
x75	75	..	...	Holt Renfrew	....	75	..	..	..
‡96½	90	7	...	Do. pref.	....	..	..	..	..
3⅜	2⅞	.	...	Honey Dew	....	2⅞	..	..	..
40	37	7	18.4	Do. pref.	....	38	..	..	..
3⅜	3	.	...	H. Smith Pap.	....	3	..	..	..
27	22	.	...	Do. pref.	30	22	23	22	22
21½	20½	2.40	11.7	Humberstone S	....	20½	..	..	..
17½	17½	1.40	8	Hunt (A)	1	..	17½	17½	17½
x23¼	18¼	1.40	7.6	Do. (B)	....	18¼	..	..	..
x150	143	8	5.5	Huron & E. M*	....	144	..	..	..
x29¼	28	.	...	Do. 20% paid*	....	28	..	..	..
11¼	8⅜	.	...	Hydro Electric	....	11¼	..	..	..
193	188	12	6.4	Imperial Bank*	....	188	..	..	..
10⅞	9⅜	50c	4.9	Imperial Oil	7990	10½	10½	9⅞	10
9¼	7¼	35+17½c	...	Imperial Tob.	3359	7½	7⅜	7⅜	7½
x80	80	8	10	Inter. Coal, p.	....	80	..	..	..
x29	9¼	2a	...	Int. Hyd. E. A	....	9¼	..	..	..
97	96	7	7.2	Inter. Mill. pf.	10	96	97	97	97
x80	80	6	7.5	Do. Series, A	....	80	..	..	..
11	8½	.	...	Inter. Nickel	32252	8¾	10½	8¾	9¾
4	4	.	...	Inter. Paints	....	4	..	..	..
b2½	1⅞	.	...	Int. Pa. & Pr. A	....	2	..	..	..
b1	1	.	...	Do. (B)	....	1	..	..	..
b⅞	⅞	.	...	Do. (C)	....	⅞	..	..	..
b11	7¼	.	...	Do. pref.	400	7½	7½	7½	7½
11⅝	10¼	1	8.8	Inter. Pete.	1375	11	11½	11	11
x8	5	.	...	Inter. Power	....	5	..	..	..
x78	56½	.	...	Do. pref.*	....	57	..	..	..
9⅞	6½	.	...	Int. Util. (A)	85	7½	9⅞	7	7½
3	2	.	...	Do. (B)	....	2	..	..	..
x40	40	1	2.5	Jam. Pub. Ser.	....	40	..	..	..
x109	99¾	7	7	Do. pref.	....	100	..	..	..
4	3½	.	...	Kelvinator	....	3½	..	..	..
90	88	7	7.8	Do. pref.	....	90	..	..	..
7	5⅝	.	...	Lake of Woods	170	6½	5⅞	5⅝	5⅝
x101	82	.	...	Do. pref.	....	85	..	..	..
x140	140	8	5.7	Landed Bank.*	....	140	..	..	..
39	36	3	7.7	Laura Secord	41	36⅜	39	37	39
8	5	1	20	Lindsay, C. W.	23	5	5	5	5
60	60	6.50	10.8	Do. pref.	....	60	..	..	..
10⅜	9⅜	80c	8	Loblaw (A)	317	10	10	9⅜	9⅜
10½	9	80c	8.6	Do. (B)	75	10	9½	9	9½
‡2¾	2¾	.	...	Loew's, London	....	..	..	..	..
x25	19	.	...	MacKin. Steel	....	20	..	..	..
x95	90	7	7.7	Do. pref.	....	91	..	..	..
6½	6½	.	...	Manitoba Pr.	....	6½	..	..	..
2	2	.	...	Maple Leaf	....	2	..	..	..
20½	12	.	...	Do. pref.	75	15	15	14½	15
x38	30	.	...	Marcus Loew's	....	38	..	..	..
60	60	.	...	Do. pref.	....	60	..	..	..
4½	3¼	.	...	Massey-Harris	1482	3⅛	4⅛	3½	3¾
10½	9	60c	6	McColl Fron.	2095	9	10	9½	9¾
x80	69¾	6	7.9	Do. pref.	....	76	..	..	..
x45	35	.	...	Mexican L & P	....	35	..	..	..
‡25	25	.	...	Mercury Mills	....	..	..	..	..
‡89	58½	.	...	Do. pref.	....	..	..	..	..
x40½	40	2	5	Mitchell, J. S.	....	40	..	..	..
x105	104	7	6.7	Do. pref.	....	105	..	..	..
8	6	1	16.7	Mitchell, Robt.	26	6	6	6	6
x1	1	.	...	Monarch Knit.	....	1	..	..	..
30	27½	.	...	Do. pref.	....	27½	..	..	..
x95½	83½	6	6.5	Montreal Cot.	....	92	..	..	..
x102	98	7	7	Do. pref.	....	100	..	..	..
2½	2½	.	...	Montreal Exhib.	....	2½	..	..	..
x20	14	.	...	Mont. Is. Pr.	....	14	..	..	..
38	36	1.50	4.2	Mont. L. & Pr.*	347	36	36	36	36
49½	48	3+25	6.8	Montreal Loan	....	48	..	..	..
47	44½	3.20	7.1	Montreal Tele.	....	45	..	..	..
150	120	10	8.3	Mont. Trams.	45	140	130	120	120
10	9	1	11.1	Moore Corp.	175	9⅞	9	9	9
93	80	7	8.7	Do. (A)	5	93	80	80	80
97	90	7	7.8	Do. (B)	5	95	90	90	90
‡10	10	.	...	Mt. Royal Hot.	....	..	..	..	..
‡49	49	1	...	Do. pref.	....	..	..	..	..
2	1½	10c	...	Muirheads	....	2	..	..	..
8	8	75c	9.4	Do. pref.	....	8	..	..	..
24	24	1.60	6.7	Nat. Brew.*	2	24	24	24	24
x35	27	1.75	5.6	Do. pref.*	....	31	..	..	..
‡10	8	.	...	Nat. Brick	....	..	..	..	..
3	3	.	...	Do. pref.	20	..	3	3	3
x.50	.25	.	...	Nat. Distiller.	....	.40	..	..	..
12½	8½	2	17	Nat. Steel Car.	2300	9½	11⅞	9½	11⅞
255	245	14	5.7	National Tr.*	....	245	..	..	..
10	10	1	10	Niag. W. Weav.	....	10	..	..	..
x36	22	3	9.4	Do. pref.	....	32	..	..	..
2.50	2.00	.	...	North Star Oil	....	2.25	..	..	..
x4.95	4.00	35c	8.2	Do. pref.	....	4.25	..	..	..
‡25	22½	.	...	N.S. Steel, pf.	....	..	..	..	..
x285	125	8	4.3	Ogilvie Flour*	....	185	..	..	..
100	99	7	7	Do. pref.	5	99	99½	99½	99½
9	7	40c	5.7	Ont. Eq. 10% p	....	7	..	..	..
x120	113	6	5.1	Ontario Loan*	....	117	..	..	..
x7	5	.	...	Ont. Silknit	....	7	..	..	..
x16	13	.	...	Ont. Steel	....	13	..	..	..
‡105	105	7	...	Do. pref.	....	..	..	..	..
x1½	¾	.	...	Orange Crush.	....	¾	..	..	..
45	44	7	15.9	Do. (A)	....	44	..	..	..
x5½	1	.	...	Do. (B)	....	1	..	..	..
x110	90	6	5.7	Ott. L. H. & P.*	....	105	..	..	..
x105½	102	6.50	6.3	Do. pref.	....	103	..	..	..
x25	25	.	...	Ott. Traction	....	25	..	..	..
68	49½	5	8.5	Page Hersey	168	54	59	56	59
b11½	6½	.	...	Paramount	....	..	..	..	..
x35	30	.	...	Paton Mfg.	....	30	..	..	..
x94	92	7	7.4	Do. pref.	....	94	..	..	..
x½	¼	.	...	Pelissiers	....	¼	..	..	..
x30	25	.	...	Do. pref.	....	30	..	..	..
x73	31	3	9.1	Penmans*	....	33	..	..	..
x101	93	6	6.2	Do. pref.	....	97	..	..	..
x.75	.50	.	...	Perfec. Glass	....	.50	..	..	..
18½	17½	2	11.1	Photo Eng.	145	18	18	17½	18
x40	10	.	...	Port Alfred, pf.	....	10	..	..	..
x70	64	7	10	Porto Rico Pr. p	....	70	..	..	..
b9	4½	.	...	Postal Tele. p.	....	..	..	..	..
36½	36½	2	5.5	Power Corp.*	....	36½	..	..	..
90	90	6	6.7	Do. pref.	....	90	..	..	..
2	2	.	...	Prairie C. Oil	....	2	..	..	..
9	6½	25c	3.1	Pressed Metals	324	7	9	7¾	7¾
x42¾	25	.	...	Price Bros.*	....	25	..	..	..
x99	70	6.50	9.3	Do. pref.*	....	70	..	..	..
29	29	2	6.9	Quebec Power*	....	29	..	..	..
x110	105	7	6.7	Real Estate L*	....	105	..	..	..
2	1	.	...	Regent Knit.	....	1	..	..	..
6	6	.	...	Reliance Grain	10	..	6	6	6
10½	10	2	20	River S. Mills.	....	10	..	..	..
12	12	1.50	12.5	Robinson Cone	....	12	..	..	..
4	4	.	...	Rogers Majes.	....	4	..	..	..
x291	231	12	5.2	Royal Bank*	....	231	..	..	..
x84	75	7	...	Ruddy, E. L. p	....	75	..	..	..
x77¾	32	2	5.7	Russell Motor	....	35	..	..	..
70	61	7	11.1	Do. pref.	....	61	..	..	..
3	3	.	...	Sarnia Br. (A)	....	3	..	..	..
1	1	.	...	Do. (B)	100	..	1	1	1
7	5	.	...	Serv. Station	156	5	5½	5	5½
46	40	6	15	Do. pref.	55	46	40	40	40
33	33	2	6.1	Shawinigan*	20	33	33	33	33
20	8	.	...	Sher.-Wms.	25	12	12	12	12
x121	112	7	6.1	Do. pref.	....	115	..	..	..
17	17	.	...	Simon & Son*	....	17	..	..	..
x92	88½	7	7.7	Do. pref.	....	91	..	..	..
55½	39½	6.50	...	Simpson, Ltd.	85	40½	42	40	42
x44½	36	.	...	Do. (A)	....	36	..	..	..
x35½	24½	.	...	Do. (B)	....	29	..	..	..
x108	100	6	5.8	Simpson, R., p.	....	103	..	..	..
25	15	1	5	So. Can. Pr.	450	18	20	16	20
90	89½	6	6.7	Do. pref.	13	90	90	89	90
1.00	.65	.	...	St. Law. Corp.	5	.75	.65	.65	.65
4	2⅛	.	...	Do. (A)	40	3½	3	3	3
x20	16	.	...	St. Law. Flour	....	16½	..	..	..
x85	82	7	8.2	Do. pref.	....	85	..	..	..
11	9	.	...	St. Law. Pap. p	232	9	9	9	9
x30	4	.	...	St. Maur. V. p	....	4	..	..	..
3	2½	.	...	St. Pav. & Mat.	....	2¼	..	..	..
46	46	7	15.2	Do. pref.	10	..	46	46	46
x1	1	.	...	Stanfords	....	1	..	..	..
4	4	1	...	Stand. Chem.	....	4	..	..	..
3	2	.	...	Stand. Steel	20	2¾	3	3	3
x35	30	3	10	Do. pref.	....	30	..	..	..
22½	20	1.75	7.9	Steel of Can.	398	22	22½	21½	22½
29	24½	1.75	7	Do. pref.	125	25	25	24½	24½
½	½	.	...	Sterling Coal	....	½	..	..	..
18½	15½	1	6.2	Sup. Pete. ord.	55	16	16⅛	16	16
x31	14	1	6.7	Do. com.	....	15	..	..	..
98	95	7	7.4	Do. pref.	2	98	95	95	95
x49	41	.	...	Tamblyn	....	49	..	..	..
100½	95	7	7.1	Do. pref.	5	100	98	98	98
18	17	3.50	19.4	Thayers, pref.	10	18	18	18	18
7	7	.	...	Tip Top Tailors	5	7	7	7	7
x90	77	7	8.4	Do. pref.	....	83	..	..	..
x22	10	.	...	Tooke Bros.	....	10	..	..	..
x67	48½	.	...	Do. pref.	....	48½	..	..	..
12	11	.	...	Tor. Elevators.	....	11	..	..	..
210	210	12	5.7	Tor. Gen. Tr.*	....	210	..	..	..
x115	108	6	5.4	Toronto Mtge.*	....	110	..	..	..
x3	1	.	...	Traymore	....	1¼	..	..	..
x12½	7	.	...	Do. pref.	....	7	..	..	..
120	119	7	5.9	Tuckett Tob. p.	....	119	..	..	..
4	3⅜	.	...	Twin City	....	3¾	..	..	..
b24½	13	.	...	Do. pref.	....	..	..	..	..
37	35	.	...	Do. (notes).	....	35	..	..	..
5	3	.	...	Union Gas	90	3½	3½	3	3¼
x101½	98	7	6.9	Union Trust*.	....	100½	..	..	..
x8	3	.	...	United Fuel	....	6½	..	..	..
15	10	.	...	Do. pref.	....	11	..	..	..
x62½	40	2	5	United Secs.	....	40	..	..	..
x11	10	.	...	Viau Biscuit	....	10	..	..	..
75	75	7	9.3	Do. pref.*	....	75	..	..	..
12	10	.	...	Wabasso Cot.	....	10	..	..	..
4⅞	2½	25c	6.4	Walker-Good.	14154	3½	4⅞	3½	4⅞
4⅞	2½	.	...	Do. new	3150	4	4⅞	4	4⅞
12	10¼	.	...	Do. pref.	2940	10¾	11	10½	10¾
3¾	2	.	...	Waterloo Mfg.	40	3	2½	2	2
80	75	7	8.9	W. Koot. Pr. p	....	80	..	..	..
8	7	.	...	West. C. Flour.	50	7	7	7	7
x96	70	6.50	9.3	Do. pref.	....	70	..	..	..
11	10	.	...	West. Grocers.	9	10	11	11	11
46	43	7	15.2	Do. pref.	....	46	..	..	..
x91	85	.	...	W. Steel Pr. p	....	91	..	..	..
x45	30	1	2.6	Weston Bisc.*	....	38	..	..	..
x90	79	7	8.9	Do. pref.*	....	79	..	..	..
‡9	9	.	...	Whittall Can.	....	..	..	..	..
x13	10	.	...	Windsor Hotel*	....	12	..	..	..
x73	71	6.50	...	Do. pref.*	....	71	..	..	..
8	5	.	...	Winnipeg Elec.	298	5⅛	5¾	5	5⅞
x81½	49	.	...	Do. pref.*	....	50	..	..	..
x40	36	.	...	Woods Mfg. p*	....	36	..	..	..
‡2½	1½	.	...	Zimmerknit	....	..	..	..	..
x7	7	.	...	Do. pref.	....	7	..	..	..

x Quotations for 1931. No sales recorded in 1932 to date.
a Or payable in stock.
b New York Quotations.
‡ Quotations for 1930.
c 2½c monthly plus stock dividend of ½ of 1% monthly.
† Plus stock bonus.
* Minimum price is set, below which trading is not permitted for time being. List of minimum prices is given elsewhere.

Winnipeg Stock Exchange

March 4, 1932

	Bid	Ask		Bid	Ask
Beaver Fire	..	115	Monarch Life	..	28
Beaver Lumber c.	6	6¼	North. Trust	..	24
Can. Amer. Tr. sh.	..	3⅞	Un. Gr. Growers	..	12¾
City Dairy (Wpg.) pref. 7%	..	65	Reliance Gr. pf.	..	60
Corporate Steel c.	..	5	West Breweries	1½	2
Cresc.-Cream. pf.	..	80	Fund. Tr. shs. 'A'	..	4⅛
Home Invest.	..	50	Do., "B"	..	4⅜
			Grouped Inc. Shs.	..	4.70

Dividends Declared

	Annual rate	Amt. this payment	Date payable	Date of record
Agnew Surpass, pref.	$7	$1.75	Apr. 1	Mar. 15
Associated Breweries	60c	15c	Mar. 31	Mar. 15
Do., pref.	$7	$1.75	Apr. 1	Mar. 15
Biltmore Hats pref.	7%	1¾%	Mar. 15	Feb. 15
Brand-Henderson pref.	...	$1	Apr. 1	Mar. 1
Bell Telephone	$8	$2	Apr. 15	Mar. 23
Brazilian Tr. pref.	$6	$1.50	Apr. 1	Mar. 15
Bank of Nova Scotia	16%	4%	Apr. 1	Mar. 16
Brit. Amer. Oil (coupon 8)	80c	20c	Apr. 1	Mar. 15
Belding Corticelli pfd.	7%	1¾%	Mar. 15	Feb. 29
B. C. Power "A"	$2	50c	Apr. 15	Mar. 31
Can. Pacific Railway	$1.25	31¼c	Apr. 1	Mar. 1
Do., pref.	4%	2%	Apr. 1	Mar. 1
Can. Wire & Cable "A"	$4	$1	Mar. 15	Feb. 29
Do., pref.	6½%	1⅝%	Mar. 15	Feb. 29
Canadian Car, pref.	$1.75	44c	Apr. 9	Mar. 26
Canadian Oil, pref.	8%	2%	Apr. 1	Mar. 19
Canada Nor. Power	80c	20c	Apr. 25	Mar. 31
Do., pref.	7%	1¾%	Apr. 15	Mar. 31
Canada Iron Foundries	$3	$1.50	Mar. 15	Feb. 29
Do., pref.	$6	$3.00	Mar. 15	Feb. 29
Canada Bread, 1st pfd.	7%	1¾%	Apr. 1	Mar. 15
Canada Cement, pref.	$6.50	$1.62½	Mar. 31	Feb. 29
Can. Celanese pref.	7%	1¾%	Mar. 31	Mar. 15
Can. Perm. Mortgage	12%	3%	Apr. 1	Mar. 15
Central Can. Loan	$12	$3	Apr. 1	Mar. 15
Can. Malting (coupon 17)	$1.50	37½c	Mar. 15	Feb. 29
Can. Cottons, pref.	$6	$1.50	Apr. 4	Mar. 19
Can. Canners	20c	5c	Apr. 1	Mar. 15
Do., 1st pref.	6%	1½%	Apr. 1	Mar. 15
Do., 2nd pref.	68c	17c	Apr. 1	Mar. 15
Can. Gen. Elec.	$4	$1	Apr. 1	Mar. 15
Do., pref.	$3.50	87½c	Apr. 1	Mar. 15
Can. Industries c. "A"	$2.50	62½c	Apr. 30	Mar. 31
Do., extra	....	25c	Apr. 30	Mar. 31
Do., "B" com.	$2.50	62½c	Apr. 30	Mar. 31
Do., extra	....	25c	Apr. 30	Mar. 31
Do., pref.	$7	$1.75	Apr. 15	Mar. 31
Consumers Gas	10%	2½%	Apr. 1	Mar. 15
Chartered Trust	6%	1½%	Apr. 1	Mar. 26
Dom. Textile	$5	$1.25	Apr. 1	Mar. 15
Do., pref.	$7	$1.75	Apr. 15	Mar. 31
Dominion Bank	$12	$3	Apr. 1	Mar. 19
Dominion Glass	$5	$1.25	Apr. 1	Mar. 15
Do., pref.	$7	$1.75	Apr. 1	Mar. 15
Dominion Stores	$1.20	30c	Apr. 1	Mar. 15
Dome Mines	$1	25c	Apr. 20	Mar. 31
Dominion Bridge	$2.50	62½c	May 16	Apr. 30
Dominion Tar & Ch. pfd.	6½%	1⅝%	May 1	Apr. 6
East Koot. Pr., pref.	$7.00	$1.75	Mar. 15	Feb. 29
Famous Players	$2	50c	Mar. 26	Mar. 4
Goodyear Tire, com.	5%	1¼%	Apr. 1	Mar. 13
Do., pref.	7%	1¾%	Apr. 1	Mar. 13
Gurd, Chas.	$1.60	40c	Apr. 1	......
Do., pref.	$7	$1.75	Apr. 1	......
Hamilton Un. Theatres pfd.	7%	1¾%	Mar. 31	Feb. 29
Huron & Erie Mtge.	$8	$2	Apr. 1	Mar. 15
Hollinger Cons. Mines	65c	5c	Mar. 24	Mar. 10
Hunt's "A"	$1.40	35c	Apr. 1	Mar. 15
Do., "B"	$1.40	35c	Apr. 1	Mar. 15
Inter. Hydro-Elec. "A"	$2	†50c	Apr. 15	Mar. 25
Do., pref.	$3.50	87½c	Apr. 15	Mar. 25
Inter. Nickel, pref.	7%	1¾%	May 2	Apr. 2
Inter. Petroleum (coupon 32)	$1	25c	Mar. 15	Feb. 29
Do., pref.	$1	25c	Mar. 15	Feb. 29
Imperial Tobacco,	35c	8¾c	Mar. 31	Mar. 2
Do., final	...	17½c	Mar. 31	Mar. 2
Do., pref.	6%	3%	Mar. 31	Mar. 2
Inter. Proprietries "A"	$2.60	65c	Mar. 15	Feb. 15
Lake Shore Mines	$2	50c	Mar. 15	Mar. 1
Landed Banking & Loan	8%	2%	Apr. 1	Mar. 15
Mitchell, J. S., pref.	7%	1¾%	Apr. 1	Mar. 16
McColl-Frontenac, pfd.	$6	$1.50	Apr. 15	Mar. 31
Montreal Loan & Mtge.	12+1%	3+1%	Mar. 15	Feb. 29
McColl Fron., c.	60c	15c	Mar. 15	Feb. 15
Montreal Cottons	$6	$1.50	Mar. 15	Feb. 29
Do., pref.	$7	$1.75	Mar. 15	Feb. 29
Montreal C. & D. Bank	$12	$3	Apr. 1	Mar. 15
Maritime Tele. & Tel.	80c	20c	Apr. 1	Mar. 15
Do., pref.	70c	17½c	Apr. 1	Mar. 15
Nat. Breweries	$1.60	40c	Apr. 1	Mar. 15
Do., pref.	$1.75	44c	Apr. 1	Mar. 15
Nat. Sewer Pipe c. "A"	$2.40	60c	Mar. 15	Feb. 29
Do., com.	$2	50c	Mar. 15	Feb. 29
Nor. Ont. Power	$2	50c	Apr. 25	Mar. 31
Do., pref.	6%	1½%	Apr. 25	Mar. 31
N. S. Light & Pr. ord.	$4	$1	Apr. 1	Mar. 19
National Trust	$14	$3.50	Apr. 1	Mar. 21
Ontario Loan & Deb.	$6	$1.50	Apr. 1	Mar. 15
Page Hersey	$5	$1.25	Apr. 1	Mar. 19
Do., pref.	$7	$1.75	Apr. 1	Mar. 19
Pioneer Gold of B. C.	12c	3c	Apr. 1	Mar. 15
Power Corp. pref.	$6	$1.50	Apr. 15	Mar. 31
Do., 2nd pref.	$3	75c	Apr. 15	Mar. 31
Provincial Paper pref.	7%	1¾%	Apr. 1	Mar. 15
Penmans	$3	75c	May 1	Apr. 30
Do., pref.	6%	1½%	May 1	Apr. 30
Paton Mfg. pref.	$7	$1.75	Mar. 15	Feb. 29
Premier Gold Mine	12c	3c	Apr. 4	Mar. 14
Royalite Oil	50c	50c	Mar. 16	Mar. 8
Reliance Grain, pref.	6½%	1⅝%	Mar. 15	Feb. 29
Sherwin-Williams, pfd.	7%	1¾%	Mar. 31	Mar. 15
Siscoe Gold Mines	...	4c	Mar. 31	Mar. 21
Standard Steel, pref. "A"	$3	75c	Apr. 1	Mar. 15
Southern Can. Power, pfd.	$6	$1.50	Apr. 15	Mar. 19
Sovereign Fin. & D. pfd.	80c	20c	Mar. 15	....
Steel of Canada	$1.75	43¾c	May 2	Apr. 7
Do., pref.	$1.75	43¾c	May 2	Apr. 7
Supertest Pete. ord. (coupon 19)	$1	25c	Apr. 1	Mar. 18
Do., com. (coupon 19)	$1	25c	Apr. 1	Mar. 18
Do., pref. "A"	$7	$1.75	Apr. 1	Mar. 18
Do., pref. "B"	$1.50	37½c	Apr. 1	Mar. 18
Tamblyn, pref.	$7	$1.75	Apr. 1	Mar. 19
Toronto Dairies pref.	70c	35c	Mar. 15	Mar. 10
Toronto Mortgage	$6	$1.50	Apr. 1	Mar. 15
United Amusement A & B c.	$2	50c	Mar. 15	Feb. 29
Walker, Hiram	25c	6¼c	Mar. 15	Feb. 22
Western Grocers, pref.	7%	1¾%	Apr. 15	Mar. 15
West. Can. Flour pref.	6½%	1⅝%	Mar. 15	Feb. 29
Wright Hargreaves	10c	2½c	Apr. 1	Mar. 10

†Or option of 1/50 share of class "A" stock.

Dividends Passed or Deferred:

Canada Wire & Cable, Class "B" Mar. 15 passed. Last paid 25c. Dec. 15, 1931.

David & Frere "A" com. Mar. 15 passed. Last paid 25c. Dec. 15, 1931.

International Nickel, com. Mar. 31 passed. Last paid 5c. Dec. 31, 1931.

Anglo-Nor. Holding, c. Mar. 24, passed. Last paid 25c. Mar. 24, 1931.

Cooksville Co. pref. Mar. 15, passed. Last paid $1 Dec. 15, 1931.

Quebec Power, April 15, deferred to May 15, 1932. Future payments to be made quarterly Feb., May, Aug. and Nov. 15.

Shawinigan W. & Pr. April 10, deferred to May 15, 1932. Future payments to be made quarterly Feb., May, Aug. and Nov. 15.

Sherwin-Williams com. Mar. 31, passed. Last paid 40c. Dec. 31, 1931.

Claude Neon Gen. Adv. pref. Mar. 15 deferred (Future quarterly dividend periods will coincide with calendar year).

New Brunswick Power, 1st pref. Mar. 1 passed. Last paid $1 Dec. 1, 1931.

Paramount Publix c. Mar. 31, no action taken.

Twin City Rapid Transit, pref., Apr. 1, passed. Last paid $1.75 Jan. 2, 1932.

Dividend Rate Reduced:

Brandram Henderson pref., $1 Apr. 1, reduced from $1.75 quarterly.

Gurd, Chas., com. 40c. Apr. 1. Reduced from $2 to $1.60 per annum.

Extra Dividends:

Montreal Loan & Mortgage 1% March 15.
Imperial Tobacco, com. final div., 17½c. Mar. 31.
Can. Industries com. "A" and "B" 25c. April 30.

Foreign Exchange

	New York Funds High (Premium)	Low (Premium)	Last Year High (Premium)	Low (Premium)
	%	%	%	%
March 2	13¼	12¾	Par	*1-128
March 3	12⅞	12 7-16	1-64	*1-64
March 4	12½	12	Par	*1-64
March 5	12	11⅜	1-128	*1-64
March 7	11	11	Par	*1-64
March 8	11¼	10¼	Par	*1-64

*Discount.

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
March 2	3.48¾	3.93¾	5.18½
March 3	3.49	3.93¾	5.18½
March 4	3.50½	3.93½	5.18½
March 5	3.51⅜	3.93½	5.18½
March 7	3.52¾	3.92½	5.18¾
March 8	3.70½	3.92	5.18¾

FOREIGN EXCHANGE

Par		Feb. 23	Mar. 1	Mar. 8
5.26	Italian	5.87¾	5.86½	5.77¾
23.80	German	26.89¾	26.88¾	26.46¾
13.90	Belgian	15.74	15.71	15.44½
49.80	Japanese	39.60	38.42	36.15

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)

March 8, 1932

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	.20	.40
Acadia Sugar pfd.	1.25	2.75
Acme Farmers Dairy pfd.	64.00	75.00
Allens Coll. pfd.	30.00	....
Allens Lond. pfd.	30.00	....
Andian N. Corp.	20.50	25.00
B. C. Pulp & Paper c.	....	3.00
B. C. Pulp & Paper 7% pfd.	16.00	....
Can. & Dom. Sugar c.	17.50	19.00
Can. Biscuit pfd.	....	8.75
Can. Machinery c.	4.25	6.25
Can. Machinery 7% pfd.	20.00	30.00
Can. Packers 7% pfd.	74.00	81.00
Can. Packers c.	11.75	13.50
Can. Starch pfd.	66.00	78.00
Can. Tea pfd.	56.00	....
Can. Wire & Cable pfd. W.W.	84.00	87.50
Can. Celanese pfd.	50.00	....
Can. Indus. c. 'A'	78.00	....
Do., "B"	77.50	82.00
Do., 7% pfd.	103.50	108.00
Can. West'house.	50.00	55.00
Chase, A. W. Units	33.00	38.00
Cons. Oka Sand & Gravel pfd.	48.00	....
Copeland Flour 6% pfd.	....	10.00
Dairy Corp. pfd.	....	38.00
Dodge Mfg. "A" pfd.	7.00	....
Dodge Mfg. "B" com.	1.00	....
Dom. Foundries & Steel pfd.	56.00	....
Dom. Foundries & Steel com.	6.00	8.75
Dom. Manuf. pfd.	75.00	....
Dunlop Tire 7% pfd.	38.00	55.00
East. Car 6% pf.	45.00	....
Fed. Grain pfd.	21.50	28.25
Goderich Elevator & Transit	14.50	16.50
Greening Wire 7% pfd.	75.00	85.00
Guard. Realty pf.	30.00	40.00
Guelph Carpet pf.	69.00	77.00
Hard. Carpet pfd.	....	50.00
Inter City Baking com.	38.00	47.00
Internat. Prop. A	21.75	24.75
Loew's London c.	.50	2.00
Loew's Lond. pfd.	3.50	5.00
M. & P. Stores pf.	....	90.00
Massey-Harris pf.	12.00	14.00
Morrow Screw Nut 7% pfd.	94.00	98.00
Mount Royal Htl. Scrip	.65	1.50
Mount Royal Htl. com.	1.25	2.50
Mount Royal Htl. 6% pfd.	11.50	15.00
Nat. Grocers c.	....	1.25
Nat. Grocers 2nd 7% pfd.	34.00	44.00
Para. Oshawa c.	8.00	....
Prov. Paper pfd.	50.00	60.00
Rolland Paper pfd. W.W.	36.00	44.00
Standard Clay Products c.	9.25	15.75
Standard Fuel pfd. bonus	53.00	59.00
Supertest Petrol. "B" pfd.	15.00	....
Toronto Brick pf.	38.00	58.00
Tor. Carpet c.	110.00	....
Tor. Carp. 8% pf.	80.00	100.00
Tor. Elev. 7% pf.	65.00	75.00
Tor. Housing c.	20.00	30.00
United Amuse. A	16.00	....
West. Grain pfd.	14.00	21.00
Willards Choc. pfd.	20.00	35.00
Wood, Alexander & James pfd.	25.00	....
Insurance Stocks:		
Br. Amer. Assce.	28.00	....
Can. Life Assur.	445.00	530.00
Can. Nat. Fire	17.00	24.00
Can. Fire Ins.	76.00	87.00

	Bid	Asked
Capital Life 20% pd.	10.00	20.00
Confederation Life 20% pd.	145.00	180.00
Continental Life 20% pd.	58.00	66.50
Crown Life Ins.	92.00	....
Dominion Fire	92.00	128.00
Dominion Life 50% pd.	290.00	325.00
Dom. of Can. Gen. Ins.	185.00	230.00
Excelsior Life 30% pd.	90.00	115.00
Fidelity Insur. of Canada	....	70.00
Great West Life	290.00	320.00
Guarantee Co. of N. A.	260.00	....
Halifax Fire	13.50	17.00
Imperial Life	305.00	375.00
Manufac. Life	260.00	290.00
Monarch Life 10% pd.	20.50	27.00
National Life 25% pd.	110.00	125.00
Saskatchewan Life 10% pd.	....	18.00
Sovereign Life 25% pd.	20.00	27.00
Sun Life Assur.	480.00	530.00
West. Assur. Co.	21.00	25.00
Western Life 20% pd.	8.00	14.50
Trust & Loan Stocks:		
Brit. Mtge. & T.	171.00	....
Can. Gen. Invest. Ltd.	5.25	6.25
Chartered Trust	....	93.00
Debenture & Sec. com.	....	35.00
Debenture & Sec. pfd.	....	50.00
Eastern Can. Sav. & Loan	115.00	140.00
Eastern Trust	140.00	175.00
Guelph & Ont. Inv. par $50	50.00	63.00
Investment Found. Units	21.00	25.00
Lambton Loan & Savings	65.00	75.00
London & West. Trust	98.00	106.00
Midland Loan & Savings	15.00	....
Mtge. Disct. pfd.	....	4.25
Mutual Fin. pfd.	2.50	4.75
Mutual Fin. com.	....	4.25
Premier Trust	75.00	....
Sherbrooke Tr.	120.00	....
Security Loan & Savings	105.00	125.00
Sterling Trust	....	88.00
Traders Fin. pfd.	30.00	40.00
Traders Fin. com.	....	3.75
Trusts & Guar.	63.00	70.00
Victoria Trust & Savings	175.00	....
Waterloo Trust & Savings	120.00	140.00
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	93.50	96.00
Calgary Pwr. pfd.	67.50	70.00
Can. Light & Power c.	21.00	26.00
Can. West. Nat. Gas LH&P c.	18.00	21.75
Can. West. Nat. Gas LH&P pfd.	67.25	70.50
Great Lakes Pwr. pfd.	....	80.00
N.B. Pwr. 1st pf.	48.00	60.00
N.B. Telephone c.	9.25	11.25
N.S. L&P pfd.	69.00	81.00
Ottawa LH&P 6½% pfd.	89.00	99.00
Recent London Quotations:		
Brewer Distillers		2s. 6d.
Can. & For. Sec.		3s. 9d.
Can. West. Lumber		1s. 6d.
Hudson's Bay		19s.
Do., 5% pfd.		52s. 6d.
Internat. Holdings		$1-7/16
Nfld. Pr. & Pap. deb. stock "B"		73
Trust & Loan of Can. (15s. pd.)		5s.

Listed Bond Quotations

Week Ending March 7

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range 1932 High	Low
Abitibi, 1st mtge.	5	1953	...	44	...	...	46	34½
Asbestos	5	1942	...	65	...	...	65½	...
Asbestos, 1st mtge.	6	1941	...	...	...	...	*20	14
Do., gen. mtge.	6	1956	...	...	...	...	*9	...
Can. Cons. Rub.	6	1946	...	...	...	...	*69½	...
Can. Cottons	5	1940	6.48	...	...	...	*91	90
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Locomotive	6	1951	...	...	...	...	‡96	...
Can. Pr. (La. Ser.)	5½	1958	...	†9½	...	...	7	7
Do. (Way. Ser.)	5½	1958	...	†6⅛	...	...	*28½	5½
Can. S. S. deb.	5	1943	...	...	...	...	‡98½	...
Cedars Rapids	5	1953	5.15	98	...	...	98	98
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dom. Coal	5	1940	...	...	...	...	*98½	98
McNish	6	1948	...	†2.00	...	...	*3.25	2.25
Mex. L. & Pr.	5	1940	...	...	...	...	*73½	70½
Mont. L. H. & P.	4½	1932	...	...	...	...	‡100	98⅜
Mont. Tr. 1st mtge.	5	1941	...	92½	92½	...	92½	92
Mont. Tr. "A"	5	1955	6.70	...	...	...	80½	79½
Mont. Tr. G. & R. "B"	5	1955	6.75	...	...	...	79¾	78⅜
Do., "C"	4½	1955	5.64	...	...	...	*85	84
Do., "D"	5	1955	6.85	...	...	...	78½	78
N. S. Steel	5	1959	...	...	...	...	*62⅛	59
Ogilvie Flour "A"	6	1932	6.00	...	...	...	100	...
Do., "B"	6	1932	...	...	...	...	‡100½	100
Do., "C"	6	1932	6.00	...	...	...	100	...
Ont. Steel	6	1943	5.94	100½	...	...	100½	...
Porto R. Pr.	5	1936	7.95	...	...	...	*93	88
Steel of Can.	6	1940	4.98	102½	...	...	*107½	106⅛
Wayagamack	6	1951	...	†41	...	...	*75	45
Winn. Elec.	5	1935	5.12	†91	...	...	*99½	98½
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Can.	6	1940	5.62	...	...	...	102½	...
Dominion Govt. Bonds (Montreal)								
War Loan	5	1937	3.41	107.00	106.15	....	106.15	105.00
Victory Loan	5½	1933	4.70	101.15	100.90	....	100.90	100.25
Do.	5½	1934	5.10	100.75	100.75	100.25	100.75	99.25
Do.	5½	1937	3.83	108.00	108.00	107.00	108.00	104.00
Do., refund	4½	1940	5.50	93.00	93.00	....	93.25	91.50
Do., refund	5	1943	5.23	98.00	98.00	....	98.00	95.38
Do., refund	4½	1944	5.37	92.25	92.25	....	92.25	89.50
Do., refund	4½	1946	5.27	92.00	92.25	....	92.25	....
Do., renewal	5½	1932	3.95	100.50	....	....	100.40	99.87
Conversion Loan	4½	1956	5.22	89.50	....	....	90.00	88.25
Do.	4½	1957	5.28	90.00	....	....	89.50	....
Do.	4½	1958	5.16	....	....	....	91.00	88.50
Do.	4½	1959	5.28	91.00	91.25	90.40	91.25	89.00
Nat. Service Loan	5	1936	5.24	98.50	98.00	....	98.00	96.25
Do.	5	1941	5.30	97.75	96.75	....	97.13	94.90

†Latest ask.
‡Quotations for 1930. *For 1931. None recorded in 1932 to date.

Stocks With Minimum Prices

Calgary Power	125
Can. Canners, c.	8
Do., 1st pref.	80
Do., convert. pfd.	9
Can. Celanese, pref. 7%	50
Can. Hyd.-Elec. pfd.	60
Dominion Bridge	27
Dominion Coal, pfd.	20
Dom. Glass, com.	70
East. Steel, com.	15
Do., pref.	97
Gurd & Co.	19
Hillcrest Coll., pfd.	80
Inter. Power, pref. 1st	57
Mont. Light, Heat	36
Nat. Breweries	24
Do., pref.	31
Ogilvie Milling	185
Ottawa L. H. & Pr.	100
Penmans, com.	30
Power Corp.	36½
Price Bros.	25
Do., pref.	70
Quebec Power	29
Shawinigan Power	33
Simons & Sons	13
Do., pref.	85
Viau Biscuit, pfd.	70
Weston's, com.	38
Do. pref.	75
Windsor Hotel	10
Do., pref.	72
Winnipeg Electric, pref.	50
Woods Mfg., pref.	40
Trust and Loan	
Canada Perman.	185
Central Can. Loan	295
Economic Invest.	32
Huron & Erie	139
Do., 20% paid	23
Landed Banking	145
National Trust	245
Ontario Loan	114½
Real Estate Loan	105
Tor. Gen. Trusts	210
Tor. Mortgage	105
Union Trust	95
Banks	
Banque Canadienne	155½
Bank of Commerce	186
Dominion Bank	189
Imperial Bank	188
Bank of Montreal	215
Bank of N. S.	269
Royal Bank	211
Bank of Toronto	193

A.J.Pattison, Jr. & Co. LIMITED
INVESTMENT BANKERS
Dealers in Unlisted Bonds and Shares
Royal Bank Bldg. (Third Floor) Toronto Elgin: 5101 (TEN LINES)

Week's Canadian Quotations—Continued

Active Current Bond Prices

March 7, 1932

	Bid	Asked	Yield
Dominion of Canada 5½/33	101	101½	4.70
Dominion of Canada 5½/34	100¾	101.	5.09
Dominion of Canada 5/43	97½	98.	5.22
Dominion of Canada 4½/46	92.	92½	5.26
Dominion of Canada 4½/56	89½	90.	5.22
Dominion of Canada 5/36	98¼	99.	5.23
Dominion of Canada 5/41	97.	97½	5.30
C. N. R. (Dom. of Can. Guar.) 4½/51	91.	91½	5.19
C. N. R. (Dom. of Can. Guar.) 4¾/55	93½	94.	5.19
C. N. R. (Dom. of Can. Guar.) 5/54	95.	96.	5.81
C. N. R. (Dom. of Can. Guar.) 5/69	97.	97¾	5.13
Province of Ontario 5/48	95.	96.	5.42
Province of Ontario 5½/47	100.	100¾	5.43
Province of Ontario 6/35	100.	101.	5.63
Province of Ontario (Hydro) 4¾/70	88.	90.	5.37
Province of Quebec 4½/56	92.	94.	4.95
City of Montreal 6/41	102.	104.	5.45
Abitibi Power & Paper 5/53	44.	47.	...
Argentine Gov't. (Ser. B) 6/58	63¼	63⅞	...
Beauharnois Power 6/59	8.	42.	...
Bell Telephone Co. of Canada 1st, 5/57	100.	103.	4.87
Brazil, U. S. of, Ext. S. F. 6½/57	23½	25½	...
British Columbia Power 5/60	79.	83.	6.30
British Columbia Power 5½/60	84.	90.	6.25
British Columbia Telephone 5/60	88.	92.	5.55
Calgary Power 5/60	80.	84.	6.20
Canada Cement 1st Mtge. S. F. 5½/47	90.	93.	6.20
Canada Northern Power Corp. 5/53	75.	80.	6.75
Canada Steamship Lines 6/41	36.	40.	...
C. P. R. Collateral Trust 5/54	89.	93.	5.60
C. P. R. Secured Notes 4½/44	79.	83.	6.50
Chile Republic Ext. S. F. 6/60	13.	14.	...
Columbia Republic Ext. S. K. 6/61	25.	25½	...
Davies, Wm. 6/42	75.	80.	9.00
Dominion Canners 6/40	96.	100.	6.00
Dominion Square Corporation 6/48	55.	60.	11.00
Dominion Tar & Chemical 6/49	77.	82.	7.90
Dominion Textile 6/49	96.	100.	6.00
Duke Price Power 1st, 6/66	81.	87.	7.00
Eastern Dairies, Ltd., Conv., 6/49	86.	92.	6.80
Eaton, T. Realty 5/49	84.	90.	5.90
Famous Players 6/48	68.	76.	8.80
Federal Grain 6/49	60.	70.	9.10
Foreign Power Securities Corp. 6/49	60.	75.	8.80
Fraser Companies 6/50	35.	45.	...
Gatineau Power, 1st Mtge. 5/56	80.	83.	6.40
Gatineau Power, S. F. Debs. 6/41	72.	75.	10.00
General Steel Wares 6/52	35.	40.	...
Howard Smith Paper Mills 5½/53	58.	64.	9.30
Harris Abattoir 6/47	75.	85.	7.75
Manitoba Power, 1st S. F. 5½/51	60.	70.	8.75
Maple Leaf Milling 5½/49	59.	65.	9.30
Massey-Harris 1st Mtge. 5/47	65.	72.	8.30
MacLaren Quebec Power 5½/61	76.	81.	7.00
Montreal Coke, 1st S. F. 5½/47	95.	98.	5.70
Montreal Island Power 5½/57	86.	91.	6.20
Montreal Light, Heat & Power 5/51	99.	101.	4.95
Montreal Tramways 1st Coll. Trust 5/41	93.	96.	5.55
Montreal Tramways Gen. Ref. 4½/55	70.	75.	6.60
Montreal Tramways 5/55	79.	82.	6.60
Moodie, J. R. 6/48	85.	90.	7.00
Ontario Power Service 5½/50	65.	70.	8.87
Ottawa Valley Power 5½/70	90.	92.	6.05
Power Corporation of Canada 4½/59	60.	67.	7.30
Price Bros. 1st S. F. Ser. "A" 6/43	50.	60.	11.60
Quebec Power 1st Mtge. Coll. S. F. 5/68	75.	85.	6.00
Shawinigan Water & Power 4½/70	79.	84.	5.50
Shawinigan Water & Power 5/70	90.	95.	5.30
Simpsons 6/49	76.	85.	7.50
Southern Canada Power 1st 5/55	91.	96.	5.80
United Securities Coll. Trust 5½/52	80.	90.	6.37
West Kootenay Power 5/56	85.	88.	6.00
Windsor Hotel 6½/43	99.	100.	6.50
Windsor Hotel 6/47	80.	90.	7.10
Winnipeg Electric 5/35	90.	100.	5.00

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Ltd.,
Canada Permanent Bldg., Toronto, Ont.

March 8, 1932

Provinces	Rate	Actual Maturity	Next Int. Date	Approx. Price	Approx. Yield %
*Alberta	4½	1 Oct., 1958	1 April	77.85	6.20
Alberta	5	1 July, 1943	1 July	89.10	6.35
Alberta	6	1 Apr., 1936	1 April	98.10	6.50
*British Columbia	4½	1 Oct., 1953	1 April	81.80	6.00
*British Columbia	5	15 Jan., 1948	15 July	89.60	6.00
British Columbia	6	15 Feb., 1947	15 Aug.	98.50	6.15
Manitoba	4	1 July, 1947	1 July	79.15	6.10
*Manitoba	5	2 Dec., 1959	2 June	85.90	6.05
Manitoba	4½	1 Oct., 1940	1 April	88.70	6.15
*New Brunswick	4	1 June, 1948	1 June	85.32	5.35
*New Brunswick	4¾	15 June, 1936	15 June	97.60	5.35
New Brunswick	6	1 Jan., 1936	1 July	101.05	5.70
*Nova Scotia	4½	15 Nov., 1948	15 May	90.60	5.35
Nova Scotia	5	1 May, 1948	1 May	94.95	5.60
*Nova Scotia	6	1 Nov., 1936	1 May	101.30	5.70
*Ontario	4½	1 Sept., 1944	1 Sept.	94.50	5.10
Ontario	5	15 Oct., 1948	15 Apr.	97.50	5.22
Ontario	6	2 May, 1936	2 May	101.25	5.68
P. E. I.	4	1 Apr., 1939	1 Apr.	89.45	5.75
P. E. I.	4½	1 Oct., 1944	1 Apr.	88.65	5.75
*Quebec	4½	1 May, 1961	1 May	89.90	4.90
Saskatchewan	4½	1 Oct., 1944	1 Apr.	82.65	6.50
Saskatchewan	5	1 Oct., 1950	1 Apr.	86.20	6.25
Saskatchewan	6	1 Feb., 1936	1 Aug.	96.50	7.00
Cities					
*Montreal	5	1 Sep., 1963	1 Sept.	93.22	5.45
*Toronto	4½	1 Jan., 1955	1 July	87.65	5.45
*Vancouver	5	15 Jan., 1970	15 July	83.80	6.10
Winnipeg	5	1 Mar., 1944	1 Sept.	89.55	6.25
*Edmonton	5½	1 Apr., 1947	1 Apr.	85.95	7.00
Calgary	5	1 Jan., 1943	1 July	84.85	7.00
Halifax	6	1 July, 1951	1 July	100.00	6.00
Saint John	5	15 Dec., 1950	15 June	88.75	6.00
Regina	4½	1 July, 1950	1 July	73.45	7.10
Victoria	5	21 July, 1945	21 July	88.70	6.25
Quebec	5	1 June, 1948	1 June	92.10	5.75

*New York payment.

Winnipeg Grain Prices

Crop Year from Aug. 14 High	Low		Open Mar. 2	High for week	Low for week	Close Mar 8
		Wheat				
.76½	.55⅛	May	.66½	.68⅛	.66⅛	.67½
.77⅛	.61¼	July	.68⅜	.69⅞	.67¾	.68⅜
.72¾	.63⅛	Oct.	.70	.71½	.69½	.70½
		Oats				
.38	.28	May	.32½	.33⅜	.32½	.33
.37½	.31⅛	July	.32½	.33⅛	.32½	.32½
		Barley				
.47⅜	.32¼	May	.41⅞	.44	.41⅞	.43⅞
.45¼	.38¼	July	.41⅜	.43¾	.41½	.43½
.43½	.38½	Oct.	.41⅛	.43	.40⅞	.43
		Flax				
1.21	.97½	May	1.05½	1.07⅛	1.05½	1.06¾
1.16½	1.00½	July	1.05½	1.07⅞	1.05½	1.07½
		Rye				
.59⅜	.32¼	May	.48¾	.53¼	.48	.52⅞
.59	.43⅜	July	.50⅛	.54½	.49⅞	.54¼

Canadian Bonded Grain in U. S.

Quotations on New York Produce Exchange, Basis Buffalo

Week to March 8

High	Low *to date		Close Mar. 1	High for week	Low for week	Close Mar. 8
		Wheat				
.72	.53¾	May	.61½	.62¾	.61⅛	.62½
.64½	.53¾	July	.63	.64½	.62⅛	.64
.66½	.64½	Oct.	....	.66½	.65⅜	.66½

*Since trading opened March 3, 1931.

Mining Stock Quotations

Week Ending March 7.

Par Val.	Range 1932 High	Low	Company	Sales	Close Feb. 29 (or last)	High for week	Low for week	Close Mar. 7
1	.05½	.04	Abana	1,500	.05	.05	.05	.05
1	.02	.01	Aconda	.....	.01	.....	.....	.....
1	*.05½	.03½	Adrien	.....	.04⅞	.....	.....	.....
No	.15	.15	Aldermac	.....	.15	.....	.....	.....
1	.09	.04⅞	Alexandria	157,000	.05⅞	.09	.05	.08
1	.01½	.00¾	Algonquin	10,500	.01	.00¾	.00¾	.00¾
1	.01	.00½	Amity C.	1,000	.00¾	.00½	.00½	.00½
No	.22	.15	Amulet	2,000	.16	.16	.15	.15
1	.00½	.00¼	Apex	.....	.00¼	.....	.....	.....
1	.02½	.01	Area	5,900	.01½	.02½	.01½	.01⅞
1	*.01	.00¼	Argo. Cons.	.....	.01	.....	.....	.....
No	.03	.01½	Arno	117,500	.02½	.02½	.01⅞	.02
1	.02	.02	Astoria	.....	.02	.....	.....	.....
1	*.02	.00¼	Atlas	.....	.00¼	.....	.....	.....
1	.06½	.03½	Bagamac	25,000	.05½	.06½	.05½	.06½
1	.00½	.00¼	Baldwin	10,500	.00½	.00¼	.00¼	.00¼
1	.11	.05½	Barry Hollinger	16,500	.06	.06½	.06	.06
No	1.00	.75	Base Metals	200	.80	.75	.75	.75
No	*.04	.00⅞	Bathurst	.....	.03	.....	.....	.....
5s.	*1.75	.60	B'Wana McKubwa	.....	1.00	.....	.....	.....
1	*.28	.26	Ben Nevis	.....	.27	.....	.....	.....
No	.12	.05	Bidgood	13,600	.05	.06	.05	.05½
1	.16½	.10½	Big Missouri	4,150	.11½	.12	.10½	.11
1	*.05½	.04½	Blue Quartz	.....	.04½	.....	.....	.....
1	.05½	.02½	Bobjo	34,100	.05½	.05½	.05	.05½
No	*.01	.00½	Boischatel	.....	.01	.....	.....	.....
1	.08	.04	Brett Trethewey	100	.07	.06½	.06½	.06½
No	.03	.02	Brownlee	18,400	.02	.02½	.02	.02½
1	.00½	.00¼	Buckingham	.....	.00½	.....	.....	.....
No	.33½	.22½	Buffalo Can.	30,550	.32½	.33	.30½	.32½
No	.02½	.01½	Bunker Hill	4,000	.01½	.02	.01½	.02
No	.01	.00½	Cal. Flin Flon	.....	.01	.....	.....	.....
1	*.04	.01	Cambro Kirk	.....	.04	.....	.....	.....
No	.03	.03	Canam Metals	.....	.03	.....	.....	.....
1	.03½	.01½	Can. Kirkland	12,000	.02	.02	.01½	.02
1	.09	.04	Canussa	12,500	.06½	.06½	.05	.05½
1	.02½	.00½	Capital Rouyn	2,000	.00½	.00½	.00½	.00½
1	.04½	.02½	Cartier Malartic	.....	.03½	.....	.....	.....
1	.15	.13	Castle Trethewey	4,000	.13	.14	.13½	.14
1	.08	.06	Cen. Manitoba	5,300	.07½	.07½	.07	.07
1	.07½	.04	Can. Patricia	875	.04	.05½	.05½	.05½
1	*.03	.01½	Champion R.	.....	.02½	.....	.....	.....
No	.07½	.05	Chibougamau Pros.	.....	.06	.....	.....	.....
No	.01½	.01	Clericy	7,000	.01	.01½	.01½	.01½
5	3.00	1.50	Coast Copper	380	1.75	2.00	1.75	1.75
1	.02	.01½	Cobalt Contact	7,000	.01⅞	.01½	.01½	.01½
1	*.02	.00½	Col. Kirkland	.....	.00½	.....	.....	.....
1	.08	.05	Columario	3,300	.06	.06	.05	.06
5	.80	.75	Coniagas	7,000	.75	.80	.80	.80
No	.40	.30	Coniaurum	1,000	.35	.30	.30	.30
25	75.00	64.00	Cons. Smelters	2,275	69.00	75.00	68.00	74.00
1	*.40	.15	Cons. Venus	.....	.40	.....	.....	.....
1	*.01	.00½	Corona	.....	.00½	.....	.....	.....
1	.01½	.01½	Crown Reserve	.....	.01½	.....	.....	.....
No	.10	.07	Dom. Explorers	7,800	.09	.07½	.07	.07½
1	*.03	.00½	Dom. Kirkland	.....	.00½	.....	.....	.....
No	12.50	9.25	Dome Mines	37,935	10.80	12.50	10.90	11.85
1	.01	.01	Don Rouyn	.....	.01	.....	.....	.....
No	*.33	.30	Donald Woolsey	.....	.30	.....	.....	.....
1	*.01	.00½	Dunkin	.....	.00½	.....	.....	.....
1	*.02½	.00½	Duprat	.....	.01½	.....	.....	.....
1	1.55	1.05	Eldorado	40,189	1.44	1.45	1.32	1.32
No	1.05	.80	Falconbridge	100	.80	.85	.85	.85
1	.04	.02	Federal	53,000	.03	.04	.02½	.02½
No	.00½	.00½	Flintoba	.....	.00½	.....	.....	.....
No	.07	.04½	Gem Lake	13,100	.05	.06	.04½	.05
No	*.04½	.01½	Gilbec	.....	.02	.....	.....	.....
1	.02	.02	Goldale	6,500	.02	.02	.02	.02
10	.11	.10	Goldfield	.....	.11	.....	.....	.....
1	.00½	.00½	Gold Hill	.....	.00½	.....	.....	.....
1	.04	.03½	Goodfish	.....	.03½	.....	.....	.....
1	.01	.00½	Graham	.....	.00½	.....	.....	.....
1	1.25	.90	Granada	2,660	1.00	1.07	1.02	1.04
1	.22	.09	Grozelle	.....	.09	.....	.....	.....
No	*.30	.29	Halliwell	.....	.29	.....	.....	.....
1	.02½	.01½	Harker	10,500	.02	.02	.02	.02
1	.01½	.01	Hilltop	7,500	.01½	.01½	.01	.01½
5	5.70	4.90	Hollinger	9,980	4.95	5.30	4.95	5.10
1	.36	.30	Howey Gold	21,900	.31	.34	.31	.33
No	2.78	2.00	Hudson Bay	2,550	2.21	2.35	2.00	2.35
No	.20	.20	Huronian	.....	.20	.....	.....	.....
No	11.00	8.50	Int. Nickel	32,252	8.75	10.12	8.75	9.75
1	.01⅞	.01½	Jackson Manion	20,000	.01⅞	.01¾	.01½	.01¾
1	.23	.15	Keeley	12	.21	.15	.15	.15
1	.02½	.01	Keora M.	6,000	.01½	.01½	.01½	.01½
1	.70	.40	Kirk. Hud. Bay	3,800	.45	.45	.40	.45
1	.02½	.00¾	Kirk. Hunton	6,000	.01	.01½	.01	.01
1	.55	.42	Kirkland Lake	7,300	.43	.46	.42	.45
1	.03½	.01½	Kirk. Premier	28,312	.01¾	.02¾	.02	.02¾
1	.13	.08	Kirk. Townsite	11,500	.08	.09	.08	.08½
20c	.01½	.00½	Koot. Florence	.....	.00½	.....	.....	.....
1	.01½	.00½	La Rose	.....	.01½	.....	.....	.....
1	.15	.15	Lakeland	.....	.15	.....	.....	.....
1	29.50	27.20	Lake Shore	3,940	27.85	29.50	27.20	29.00
1	.00½	.00½	Laval	.....	.00½	.....	.....	.....
1	.02½	.01½	Lebel Oro	5,300	.02½	.02½	.02½	.02½
No	*.35	.35	Locarno	.....	.35	.....	.....	.....
1	.40	.29½	Macassa	5,500	.34	.34	.31½	.34
1	.05	.02½	Malartic	11,200	.03½	.04	.02½	.04
No	.05	.04	Mandy	1,500	.05	.04½	.04	.04
No	.01½	.00¾	Manitoba Basin	500	.00¾	.00¾	.00¾	.00¾
1	.35	.30	McKinley	300	.30	.30	.30	.30
5	19.50	16.50	McIntyre	1,711	16.75	18.00	17.00	17.75
No	.09½	.03⅞	McLeod River	246,600	.07½	.08	.06½	.07½
1	*.04	.04	McVittie	.....	.04	.....	.....	.....
1	*.29	.03	MacMillan	.....	.10	.....	.....	.....
No	1.43	.85	Mining Corp.	4,341	1.05	1.17	1.05	1.13
1	.08½	.03½	Moffatt Hall	73,100	.03⅞	.04	.03½	.03⅞
1	.02½	.02½	Moneta	.....	.02½	.....	.....	.....
1	*.00½	.00½	Mtl. Rouyn	.....	.06¼	.....	.....	.....
1	.40	.30	Moss	48,850	.34	.39½	.33	.38
1	.02½	.01½	Murphy	3,000	.01½	.01½	.01½	.01½
No	.03	.02	Newbec	2,500	.02	.02½	.02	.02
1	*.40	.25	Nevada	.....	.25	.....	.....	.....
1	*.09	.02	Night Hawk	.....	.02	.....	.....	.....
5	1.15	.80	Nipissing	2,425	.85	1.00	.80	1.00
No	18.00	15.00	Noranda	21,149	15.75	18.00	15.90	17.30
No	.24	.17	Nor. Canada	500	.20	.20	.20	.20
No	.01	.00½	Old Colony	.....	.00½	.....	.....	.....
1	*.01	.00½	Ophir	.....	.00½	.....	.....	.....
1	*.10½	.02	Oriole	.....	.02	.....	.....	.....
1	.08	.05	Osisko	1,000	.06	.06	.06	.06
1	.08	.08	Parkhill	.....	.08	.....	.....	.....
1	.13½	.11	Patricia Dent	2,000	.11½	.13	.13	.13
1	.02	.01½	Pawnee Kirk	1,000	.01½	.01½	.01½	.01½
No	1.15	.85	Pend. Oreille	2,010	1.00	1.06	1.00	1.06
1	.01	.00¾	Pete. Cobalt	4,500	.00⅞	.01	.01	.01
	.25	.18½	Phoenix Molybd.	.....	.25	.....	.....	.....
1	*.01½	.00½	Picard	.....	.00½	.....	.....	.....
1	3.86	3.10	Pioneer Gold B.C.	500	3.35	3.31	3.25	3.31
1	.05	.04	Pioneer	.....	.04	.....	.....	.....
1	*.02½	.00½	Porc. Crown	.....	.00½	.....	.....	.....
1	.02	.01	Potter Doal	1,000	.02	.02	.02	.02
1	*.45	.30	Powell Rouyn	.....	.30	.....	.....	.....
1	.63	.57	Premier Gold	4,000	.58	.59	.57	.59
1	.00⅞	.00⅞	Preston E. Dome	500	.00⅞	.00⅞	.00⅞	.00⅞
No	.25	.15	Prospectors Air's	3,000	.15	.25	.20	.25
No	1.00	1.00	Quebec Pros	.....	1.00	.....	.....	.....
No	.06	.04	Quemont	.....	.05	.....	.....	.....
1	.02½	.01	Ribago	105,500	.02	.02½	.02	.02½
1	*.34	.24	Rich. Rock	.....	.33	.....	.....	.....
1	.02½	.01½	Ritchie	3,000	.01½	.01⅞	.01½	.01⅞
1	.01½	.00⅞	Robb Montbray	1,000	.00⅞	.00⅞	.00⅞	.00⅞
1	.36	.25	San Antonio	667	.33	.36	.33	.33
1	.09	.09	Seven Troughs	.....	.09	.....	.....	.....
1	.65	.49	Sherritt Gordon	8,150	.50	.50½	.49	.50
1	.69	.50	Siscoe	80,570	.60½	.69	.59½	.66
1	.03	.01½	South Keora	1,000	.02	.02	.02	.02
No	.02½	.01½	Stadacona	16,000	.01½	.01½	.01½	.01½
1	.17	.07½	St. Anthony	1,000	.10	.12	.12	.12
No	.45	.35	Sudbury Basin	430	.35	.35	.35	.35
1	.01½	.00½	Sudbury Contact	.....	.01½	.....	.....	.....
1	.01	.00½	Sudbury Mines	1,000	.00½	.00½	.00½	.00½
No	*.04½	.01	Sudbury Nickel	.....	.03½	.....	.....	.....
1	.10	.09	Sullivan	12,200	.10	.10	.10	.10
1	.65	.52½	Sylvanite	6,600	.55	.60	.55	.58
1	.07	.03	Tashota	49,500	.03	.03	.02½	.02½
1	5.25	4.12	Teck Hughes	18,795	4.25	4.57	4.12	4.43
1	*.10½	.01	Telluride	.....	.01	.....	.....	.....
1	*.01½	.01	Temiskaming	.....	.01½	.....	.....	.....
1	.03	.02	Thom. Cadillac	1,000	.03	.03	.03	.03
1	*.02½	.00½	Tough Oakes	.....	.01	.....	.....	.....
1	.40	.25	Towagmac	1,500	.25	.25	.25	.25
No	1.65	1.01	Treadwell	540	1.25	1.65	1.50	1.65
No	*2.85	2.40	Tri-Metals	.....	2.85	.....	.....	.....
1	.09½	.05	United Kirkland	.....	.05	.....	.....	.....
1	.01½	.01	Vacuum Gas	1,000	.01	.01	.01	.01
No	.53	.42½	Ventures	12,375	.42	.45	.43	.44
1	.17½	.14	Vickers	.....	.15	.....	.....	.....
1	.45	.30	Vipond	5,200	.34	.35	.30	.32
No	1.00	.50	Waite Ackerman	.....	.50	.....	.....	.....
1	*.02½	.01	West Tree	.....	.01	.....	.....	.....
1	.07	.03	White Lake	19,000	.03½	.07	.05	.06
1	*.06	.01½	Wiltsey	.....	.01½	.....	.....	.....
No	*.01½	.00½	Windfall R.	.....	.01	.....	.....	.....
	*.13	.03½	Wood Kirk	.....	.04	.....	.....	.....
No	3.06	2.55	Wright-Hargreaves	16,465	2.55	2.80	2.55	2.71
			OIL STOCKS					
1	.19	.13	Acme	9,300	.13	.15	.13½	.14
1	1.17	.90	Ajax	46,125	1.02	1.17	1.02	1.10
1	.12	.05	Alta. Pacific	300	.06	.09	.09	.09
1	.03½	.02	Askalta	.....	.03	.....	.....	.....
No	.10	.04½	Associated	585	.05	.06	.05	.05
No	.04	.02	Baltac	.....	.02	.....	.....	.....
	.05½	.00½	Benton	11,500	.01½	.01½	.00½	.00½
1	*.07	.02	Black Diamond	.....	.02	.....	.....	.....
1	.06	.04½	Brit. Dominion	.....	.04½	.....	.....	.....
No	.38	.30	Calgary & Ed.	1,200	.30	.30	.30	.30
1	.09	.05	Calmont	.....	.05	.....	.....	.....
1	.11	.07½	Comm. Pete	1,000	.11	.10	.09½	.09½
No	*.29½	.26½	Crudome	.....	.28½	.....	.....	.....
No	.20	.15	Dalhousie	500	.18	.20	.16	.16
No	*.08	.01	Devenish	.....	.01½	.....	.....	.....
No	.02	.00½	Dome Oil	7,650	.01	.01½	.00½	.00½
No	.12	.04	East Crest	1,100	.10½	.11	.10	.11
No	.01½	.01½	Fabyan Pete	.....	.01½	.....	.....	.....
No	.07	.07	Foothills	100	.08	.07	.07	.07
No	.03½	.03	Freehold	100	.03½	.03½	.03½	.03½
1	.02	.02	Great West	.....	.02	.....	.....	.....
No	.05	.04	Hargal	100	.05	.05	.05	.05
No	*.10	.03	Herron Pete	.....	.03½	.....	.....	.....
No	.05	.04	High Sarcee	.....	.04½	.....	.....	.....
No	.47	.25	Home	560	.25	.28	.25	.28
No	.05	.03	Homestead	.....	.03½	.....	.....	.....
1	.48	.24	Homest'd O. & G.	12,850	.35	.48	.39	.46
1	.01	.00½	Illinois Alta	2,500	.00½	.00½	.00½	.00½
No	.02½	.00½	Lethbridge Pete	500	.00½	.00½	.00½	.00½
No	*.70	.10½	Lowery	.....	.18	.....	.....	.....
1	.02	.01	Madison	350	.01½	.01½	.01½	.01½
1	.15	.14	Mayland	.....	.15	.....	.....	.....
No	.04	.03½	McD. Segur Ex.	.....	.03½	.....	.....	.....
1	.04½	.03½	McD. Segur N.	.....	.03½	.....	.....	.....
1	.50	.22	McLeod	.....	.37	.....	.....	.....
No	.10½	.08	Mercury	2,200	.08½	.09	.08½	.09
No	.08	.05	Merland	1,000	.06	.05	.05	.05
No	.12	.10	Mill City Pete	.....	.11	.....	.....	.....
1	.18	.16½	Model	200	.18	.18	.18	.18
1	.05	.04	Monalta	2,400	.04	.05	.05	.05
1	.07	.04½	Moose Mountain	.....	.04½	.....	.....	.....
1	.01	.01	New Federal	.....	.01	.....	.....	.....
5	.14	.06	Nordon	10,800	.09½	.08	.06	.06½
No	.04½	.03	Oil Selection	2,000	.03½	.03	.03	.03
No	.05	.04	Okalta	.....	.04	.....	.....	.....
100	15.00	15.00	Do., Pref.	.....	15.00	.....	.....	.....
No	.20	.12	Olga Gas & Oil	2,500	.12	.14½	.14	.14½
No	.06½	.02	Penn. Pete	15,100	.04½	.04½	.04	.04
1	.28	.17	Petrol	1,000	.17	.18	.18	.18
No	.14	.09	Ranchmen's	695	.10	.12	.10	.12
1	.01	.01	Regent	.....	.01	.....	.....	.....
No	.02½	.01½	Richfield	.....	.02	.....	.....	.....
No	6.65	6.00	Royalite	159	6.25	6.45	6.35	6.40
1	.10	.05	Sarnia Oil	1,000	.06	.06	.06	.06
1	.03	.01½	Signal Hill	2,200	.02½	.02½	.02	.02½
No	*.27	.05	South West Pete	.....	.10	.....	.....	.....
1	.20	.17	Spooner	120	.17	.18	.18	.18
No	.11	.06	Sterling Pacific	.....	.06	.....	.....	.....
1	.11	.11	Turner Valley	.....	.11	.....	.....	.....
No	.08	.06½	United	2,600	.07	.07	.06½	.07
1	.09½	.08	Vulcan	10	.09½	.08	.08	.08
No	.02	.00½	Wainwell	.....	.00½	.....	.....	.....
1	*.28	.08	Waite Valley	.....	.08½	.....	.....	.....
			VANCOUVER STOCK EXCHANGE (Transaction for Week to March 12)					
25c	.00½	.00½	Bayview	.....	.00½	.....	.....	.....
20c	.05	.03½	Beaver Silver	5,500	.04	.05	.04½	.05
25c	.02½	.02	Bluebird	.....	.02	.....	.....	.....
1	.12½	.07½	Bridge River Cons.	2,500	.08½	.08	.07½	.07½
1	*.80	.40	B. C. Silver	.....	.40	.....	.....	.....
25c	*.02	.00½	Cork Province	.....	.01	.....	.....	.....
1	.08	.06	Cotton Belt	.....	.08	.....	.....	.....
1	*.03	.02	Dalhousie Mines	.....	.02½	.....	.....	.....
1	*.04	.02	Dunwell	.....	.02	.....	.....	.....
1	*.10	.02	Duthie	.....	.02½	.....	.....	.....
1	.45	.45	George Copper	.....	.45	.....	.....	.....
50c	.01½	.01½	Geo. Enterprise	.....	.01½	.....	.....	.....
1	.04½	.02½	Georgia River	67,300	.02½	.04	.03	.03
1	.24	.21	Golconda	.....	.21½	.....	.....	.....
50c	.08	.05½	Grandview	2,480	.06½	.06½	.05½	.05½
25c	5.25	5.25	Hecla Mining	.....	5.25	.....	.....	.....
No	*27.50	15.00	Howe Sound	.....	21.25	.....	.....	.....
1	.11	.09	Intern. Coal	.....	.11	.....	.....	.....
1	.01	.01	Independence	.....	.01	.....	.....	.....
1	.01	.01	Indian Mines	.....	.01	.....	.....	.....
1	.21	.21	Jack Waite	.....	.21	.....	.....	.....
25c	.00½	.00½	Kootenay King	.....	.00½	.....	.....	.....
25c	*.02	.00½	L. & L.	.....	.02	.....	.....	.....
1	.19½	.13½	Lorne Gold	106,235	.14½	.15	.14	.14½
1	*.12	.12	Los Ang. Van.	.....	.12	.....	.....	.....
10c	.02	.02	Lucky Jim	.....	.02	.....	.....	.....
2.50	*.01	.00½	Marmot Gold	.....	.01	.....	.....	.....
5c	.10	.08	Metaline Metals	.....	.10	.....	.....	.....
1	.03	.01½	Morton Woosley	5,000	.01½	.01½	.01½	.01½
50c	.03	.02½	National Silver	.....	.02½	.....	.....	.....
50c	.08½	.04½	Noble Five	.....	.04½	.....	.....	.....
50c	.01	.01	Oregon Copper	.....	.01	.....	.....	.....
1	3.86	3.25	Pioneer Gold	2,810	3.40	3.55	3.40	3.55
No	.01	.00½	Premier Border	8,000	.00⅞	.01	.00½	.00½
50c	.08½	.05½	Porter Idaho	.....	.06	.....	.....	.....
No	.28	.20	Reeves McDonald	.....	.20	.....	.....	.....
1	.27½	.21½	Reno Gold	28,000	.27	.26	.21½	.25
1	*.04	.01	Rufus Argenta	.....	.01	.....	.....	.....
1	.05	.04	Ruth Hope	.....	.04	.....	.....	.....
1	.03½	.02½	Silverado	.....	.03½	.....	.....	.....
25c	.02	.01½	Silver Crest	.....	.01½	.....	.....	.....
50c	.01½	.01	Snowflake	3,000	.01	.01	.01	.01
1	*.45	.25	Sunloch	.....	.25	.....	.....	.....
50c	*.02	.01	Topley Rich	.....	.02	.....	.....	.....
5	*.20	.05	Toric	.....	.05	.....	.....	.....
20c	.02½	.01	Wellington	.....	.01	.....	.....	.....
1	*.08	.02	Whitewater	.....	.05	.....	.....	.....
No	.00⅞	.00½	Woodbine	37,000	.00½	.00½	.00½	.00½

*Quotations for 1931.

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Cons. Smelters	$2.50+a	3.37	Noranda	50c.	2.88
Dome Mines	$1	8.43	Premier	12c.	....
Granby	50c.	....	Pioneer, B.C.	12c.	3.62
Ho'linger	65c.+5	13.72	Royalite	50c.	....
Howe Sound	$2	....	Siscoe	4c.	....
Lake Shore	$2+50c.	8.62	Sylvanite	4c.	....
McIntyre	$1	5.63	Teck Hughes	60c.+5	14.67
McLeod Oils	5c.	....	Wright-Har.	10+2½c.	4.61
Model Oils	9c.	....			

a. Stock bonus 1 share for each 20 shares held.

CANADA STEAMERS OPERATING PROFIT LOWER LAST YEAR

Record Deficit After All Charges Totalling $1,310,462

From Our Own Correspondent

MONTREAL. — Continued decline in the volume of freight traffic and number of passengers is reflected in the financial statement of Canada Steamship Lines for 1931, which shows an operating profit of $1,467,763, compared to $2,165,166 in the preceding year.

Deficit of $1,310,462

Particulars of the profit and loss account follow:

	1931 $	1930 $	1929 $
Tot. rev.	9,558,809	11,547,062	13,876,651
Exp.	8,091,135	9,381,896	10,946,051
Op. prof.	1,467,673	2,165,166	2,930,600
Deduct:			
Int.	1,398,219	1,449,185	1,368,857
Bond dis.	117,575	117,576	117,575
Deprec.	1,262,339	1,256,197	1,213,565
Net pro.	d1,310,462	d657,792	230,601
Pfd. div.	......	450,000	900,000
Surplus	d1,310,462	d1,107,792	d669,399
Prev. bal.	713,194	1,820,986	2,490,384
P. & L. bal.	d597,268	713,194	1,820,985

d—Deficit.

No Capital Outlay

There were no capital expenses of any importance last year, while some properties were sold, bringing fixed assets down to $39,802,962 after depreciation as against $41,486,338 at the end of 1930.

Current assets are shown at $2,528,239, down from $4,077,292. This contraction is largely a reflection of the completion of the Canadian National car ferry for the Prince Edward Island run and was built by a subsidiary. Cash on hand, accounts receivable, etc., compared favorably with that previously reported.

Reduce Funded Debt

The principal change among liabilities is in the funded debt of the company. During the year net cash income, after interest charges, was $382,300. This item was made up of $69,453 balance of the parent company and $312,847 to be applied against depreciation by subsidiary companies. It will be noted that subsidiary companies charges totalled $402,847. Of this $90,000 was used to pay bond interest charges of the Kingston Elevator Co., and the balance of $312,847 added to the parent company's surplus of $69,453, making a cash income balance on all operations of $382,300. To this was added $255,984 realized from the sale of assets, making available $638,285 to be used for the redemption of bonds and other corporate purposes.

As at the end of the year $470,851 of debentures and $107,500 of general mortgage bonds, making a total of $578,351, were retired. These securities were purchased at a discount, which discount is reflected in an increase in the surplus from purchase of debentures and bonds from $31,005 to $83,735.

Redeem More Notes

At the end of 1930 the company had $80,008 of notes payable. This sum was reduced to $40,004 during 1931. There was a cut in bank loans of $250,000 to $2,750,000.

Contingent liabilities of $40,036 are shown in the balance sheet, while the arrears of dividends on the preferred stock now total $1,350,000.

Surveys 1931 Operations

In his report to the shareholders, W. H. Coverdale, president, said in part:

'The company's total freight traffic amounted to 4,267,000 tons, a decrease of 492,500 tons from the previous year. Due to extremely low water the company's steamers were restricted to a draft of eighteen feet on the lakes and in the new Welland ship canal, and to a draft of thirteen feet six inches in the St. Lawrence canals which seriously affected their earning power. Total passengers carried aggregated 514,000, a decrease of 118,000 after eliminating ferry services now discontinued.

"Adverse exchange conditions were serious and cost the company about $80,000.

"The fleet now consists of one hundred and three steamships, of which eighty-five are freight and eighteen are passenger steamships."

LOCOMOTIVE CO. BUSINESS POOR, ORDERS ARE LOW

Shows Loss of $325,305 for 1931 — Immediate Future Not Bright

With Canadian railways out of the market for locomotives since June, 1930, earnings of Canadian Locomotive Co. in the year ended December 31, 1931, were extremely curtailed. The company shows an operating loss of $148,083, the largest loss reported in any year since incorporation in 1911. A very small volume of miscellaneous work was secured and while officials are striving for diversification the results will not be shown fully until business improves. Immediate outlook for locomotive orders is not promising and curtailed earnings may be expected for the next few years.

The company has built up a large investment account carried at cost of $1,084,459 but which has a market value of $863,755 largely due to drop in sterling. Interest from this investment, including net amortization of bond premium and discount, amounted to $50,912 and income on sinking fund investments was $24,258.

INCOME AND SURPLUS ACCOUNT
Years Ended Dec. 31

	1931 $	1930 $
Net earn. from oper.	*148,082	374,210
Add: Int. on invest.	50,911	52,353
Total net earnings	*97,171	426,563
Inc. from S.F. invest.	24,257	....
	*72,914	426,563
Less: Deprec.	159,258	150,000
Bond interest	90,000	90,000
Corp. tax	3,134	....
Net profit	*325,306	186,563
Less appropriations:		
Sinking fund prov.	....	15,000
Surplus for year	325,306	171,563
Add: Prev. surplus	290,541	105,973
Profit from sale of invest.	....	13,005
Less: Adj. inc. tax 1930	2,626	....
	*32,139	290,541

xNet loss. *Debit.

Current assets are shown at $180,364 but do not include high grade investments of $1,086,307. Current liabilities amount to $672,625, including a bank loan of $600,000. Bank loan has been reduced to $40,000 in the past year. Including investments as a current asset the ratio of current assets to current liabilities is 1.88 to 1 against 1.92 to 1 in 1930. Fixed assets are carried at $4,204,602; goodwill at $1,000,000; deferred charges at $39,214. These items show little change.

Sinking fund account shown at $377,522 in 1930 is down to $20,312 as bonds held by the trustee have been deducted from bonds outstanding to reduce liabilities in funded debt to $1,085,300. Reserve for depreciation is up to $1,305,012 from $750,000 due to inclusion of accumulated reserve on sinking fund requirements. There remains outstanding 15,000 shares of 7 per cent preference stock and 20,000 shares of common stock, both of $100 par value. Dividends on the cumulative preferred stock have been paid up to December 31, 1929.

LIQUOR INDUSTRY GETS STIFF BLOW FROM SALES DROP

(Continued from page 9)

$2.90 to $3.25; and similar increases in all spirits.

The actual decline, in bottles, of consumption of domestic and imported spirits is shown in the following table:

(In thousands of bottles)

	1928-29	1929-30	1930-31	% Dec. from 1929
Domestic spirits	4,669	4,455	3,961	15.17
Imported spirits	6,010	5,302	3,927	34.6

Note:—Total decrease in two years is 2,791,310 bottles or 26.14 per cent.

Fewer Permits Sold

The report shows decreases in the sale of permits and of liquor. Reasons given include the present depressed financial conditions, greater restraint under the permit system by most purchasers as consideration of the permit shows him a ready way of making economies, increasingly effective control of sales and increasing taxation which increases costs.

With reference to taxation it is stated that the Ontario commission alone has paid to the provincial treasury since it was started to Oct. 31, 1931, a period of four years and 5 months, taxes of $43,182,781 and to the Dominion treasury $66,500,000. The board states that it believes further taxation would defeat its own object by tending to recreate the bootlegging industry.

Dry United States Exports Spirits

One part of the report on illegal liquor is of double interest as it indicates a probability that illegal shipments to the United States either by the Atlantic or the southern border must have fallen off to a very considerable extent not because of outside competition but because of growing United States manufacture. In fact, so extensive has grown the moonshine industry in the United States that it has been exporting its excess even into Canada under forged labels of various Canadian liquor commissions, manufacturers in Canada and abroad. Large seizures in Buffalo of counterfeit labels showed a flourishing business in counterfeiting labels of liquor. The board's solicitor was informed that a New York or Brooklyn printing house could turn out on order a counterfeit of any label desired.

Quantities of spurious liquor under such labels have been seized at various times by police officials in Ontario. It appears almost incredible that there should be smuggling from a prohibited area but such is the fact. Many shareholders of distilleries in Canada have taken it for granted that there would be a large demand from the United States for Canadian products were it not for prohibition. The real fact appears to be that the local United States moonshiners can supply the market in great part at least but the use of counterfeit labels indicates that quality of the illicit product is not highly regarded. These spurious liquors can be manufactured very cheaply with a base of alcohol, sometimes pure and sometimes absolutely poisonous. The added water, coloring matter and flavoring cost but little and the board report states that 65 per cent overproof alcohol can be readily produced for 45 cents a gallon while the Dominion Excise tax alone amounts to $14.85 a gallon. American alcohol pays no taxes and has been sold in Ontario as low as $3 a gallon. Vigilant search and immediate prosecution are reducing the evil in Ontario. One offender was sentenced to three years' imprisonment for having forged seals.

Board Competes With Distillers

As the province makes a gross profit on imported spirits 5 per cent higher than the gross profit taken on domestic spirits, that would appear to favor the domestic manufacturers. The company, however, is helping its own profit situation by the sale of five Scotch brands now bottled by the board. Increased prices will be in effect throughout the current year. No stock has been bought since September, requiring payment in United States currency.

This year the board will start sale of triangular bottles of cheap rye whisky at $1.25 a bottle to satisfy demand from those who only want a small quantity in the home for emergency purposes. The triangular shape is to prevent it being carried around like a flask.

Native Wine Sales

The following table shows gallonage of native wine sold:

Native Wine Sales
(In thousands of gallons)

	1928	1929	1930	1931
Direct sales	322	553	806	589
Sales to Board	478	1,199	1,337	1,511
Total Ontario sales	800	1,752	2,143	2,101
Sales other provinces	1,564	1,735	1,346	1,183
Export sales	42	31	14	....
	2,408	3,519	3,504	3,285

Note:—Gallonage sales in Ontario therefore declined 1.98 per cent and to other provinces 12 per cent. Competitive sales of cheap wines at lower prices have also affected profits of Canadian wine manufacturers.

Established in 1889
By the late J. P. Langley, F.C.A.
J. P. LANGLEY & CO.
C. P. ROBERTS, C.A.
Chartered Accountants
G. S. HOLMESTED
Authorized Trustee in Bankruptcy Proceedings
Liquidator, Receiver, Etc.
Offices
McKINNON BUILDING
Elgin 5305-6 TORONTO

CLARKSON, GORDON, DILWORTH, GUILFOYLE & NASH
CLARKSON, McDONALD, CURRIE & COMPANY
TORONTO OTTAWA WINDSOR
MONTREAL and QUEBEC
Chartered Accountants
E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
15 WELLINGTON STREET WEST TORONTO

MILLAR, MACDONALD & CO.
CHARTERED ACCOUNTANTS
WINNIPEG WINDSOR

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

PIPE & ALLEN
QUALIFIED ACTUARIES
Specializing in Pension Fund organization and valuation, statistical analysis and Hollerith tabulation for casualty, fire and life insurance companies.
1240 Phillip Square Metropolitan Bldg.
MONTREAL TORONTO

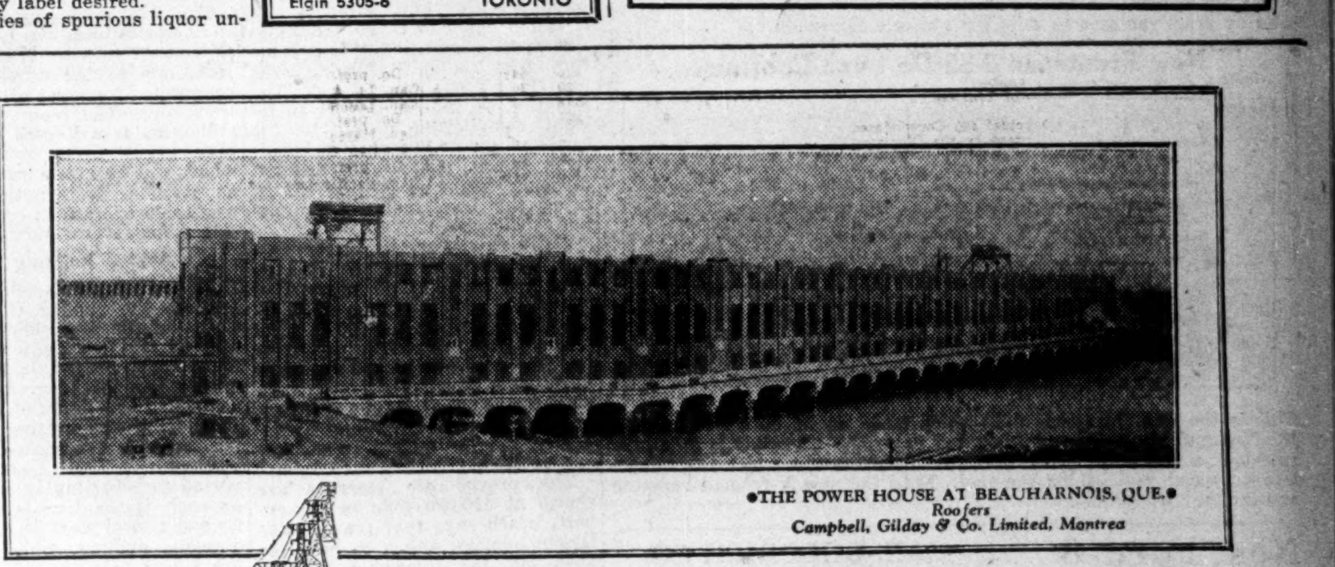
Tenders for Capital Stock
of
The Consumers' Gas Company
of Toronto
$1,250,000
12,500 Shares - Par Value $100 each

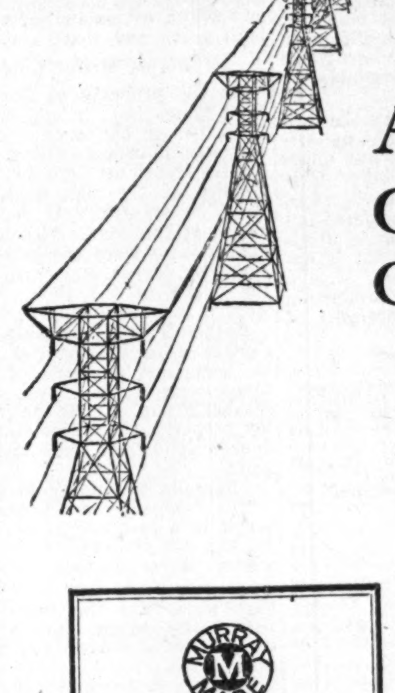
Sealed tenders, addressed to the Consumers' Gas Company of Toronto, 19 Toronto Street, Toronto, Ont., and marked "Tender for Capital Stock," will be received by the Consumers' Gas Company of Toronto until 12 o'clock noon of the 17th day of March, 1932, for the purchase, in lots of any desired number of shares, of Twelve Thousand Five Hundred (12,500) shares of the unissued capital stock of the said Company (each share having a par value of $100.00), subject to certain conditions and terms of sale, the particulars of which, together with the form of tender to be used, may be had on application at the office of the Company at the above address.

Dated at Toronto, this 15th day of February, 1932.

By order of the Board of Directors.

ARTHUR HEWITT,
General Manager.





•THE POWER HOUSE AT BEAUHARNOIS, QUE.•
Roofers
Campbell, Gilday & Co. Limited, Montrea

A Murray Roof
Guards Canada's
Greatest Power Development

Shaping to completion at Beauharnois, Quebec, is one of the world's great electrical developments. Here, ten huge generators of 50,000 Horse Power each will harness the St. Lawrence in the interest of Canadian industry.

Uninterrupted delivery of power is essential to the success of the Beauharnois enterprise. To this end, positive roof protection is assured through the selection of Murray Bonded Pitch and Gravel Roofing and Murray Bonded Flashing. The record of proven performance back of Murray Roof installations is a guarantee of unfailing roof security.

The Beauharnois Power House is one of many outstanding roof installations which Murray Engineers have successfully handled. They are always at your service to co-operate in the selection of suitable roofs for every type and size of building.

MURRAY MADE
BONDED ROOFS
A Surety Bond definitely guarantees trouble-free service over a period of 10, 15 or 20 years, according to the specification selected. Only Authorized Roofers are permitted to apply Murray-Made Bonded Roofs, the entire construction being under the direct supervision of Murray engineers.

FREE ROOF
INSPECTION SERVICE
Upon request Murray Roofing Engineers will inspect your roof and submit recommendations for any necessary repairs. No charge is made for this service. Write or telephone the nearest Murray Sales Office.

Alexander MURRAY & Company
LIMITED
(DOMINION TAR & CHEMICAL COMPANY, LIMITED)
MONTREAL TORONTO HALIFAX SAINT JOHN WINNIPEG VANCOUVER
BUR-1

Automobile Industry

WILLYS PRESENTS SIXES AND EIGHTS AND NEW KNIGHTS

All With Modern Body-styles and Many Improvements

Willys-Overland Co. is celebrating its twenty-fifth year of automobile manufacture with a new line of Willys-Overland sixes and eights, and a Willys-Knight Six, which is also available in a de luxe line. The sixes are built on a wheelbase of 113 in., while the eights have a 121-in. wheelbase.

The range of Willys-Overland body types include a 2 and 4-passenger roadster, and 2 and 4-passenger sport coupé, victoria coupé, coach and sedan. All front seats are adjustable while in the sedan models the angle of the back is also adjustable. Driver-comfort is further enhanced by adjustable steering columns.

Mechanical features include free-wheeling, double-acting shock absorbers front and rear, engines mounted in rubber, and an improved clutch. Safety-glass is available throughout. Radiators are of the V-type, with inbuilt grille, and invisible filler-cap. Frames are of double-drop design, giving low overall height without detracting from head-room, and low centre of gravity.

Body designs are revised throughout the whole range of models and streamline contours are accentuated by inclined windshields from which the external sun-visor has been removed. Sound-absorbing insulating material is freely used on all models to eliminate vibration and air-currents.

Model 95 Willys-Knight offers a low-priced car equipped with the twin sleeve-valve Knight engine. The wheelbase of this model is 113 in. and body styles available are a sedan, coach, 2-passenger coupé and 4-passenger coupé. The 66-D model represents the same car with de luxe equipment and finish being obtainable in either a sedan or victoria, built on a wheelbase of 121 in.

New 1932 Willys-Knight Announced

Willys-Knight model "95" coupé, with twin sleeve-valve engine, one of a wide range of cars offered this year by Willys-Overland, Ltd., whose plant is at Weston, Ont. Double-drop frames permit a reduction of overall height without interfering with head-room and add to the long, low appearance.

FRONTENAC 6-85 MAKES ITS DEBUT AT TORONTO SHOW

Has Latest Engineering Improvements and Air-curve Lines

Interest in the display of Dominion Motors, Ltd. at the National Motor Show being held this week in the Automotive Building, Toronto, centres upon the new Frontenac 6-85—companion car to the 6-70—which now makes its initial appearance.

Including all the engineering features of the 6-70, which made its debut in September last year, the new Frontenac is distinguished by many improvements in design and body construction. Advanced streamlining is emphasized by the elimination of all possible external accessories, even the radiator filler-cap being tucked away beneath the bonnet. Air-curve lines flowing from radiator to tail-light are scientifically designed to reduce wind resistance.

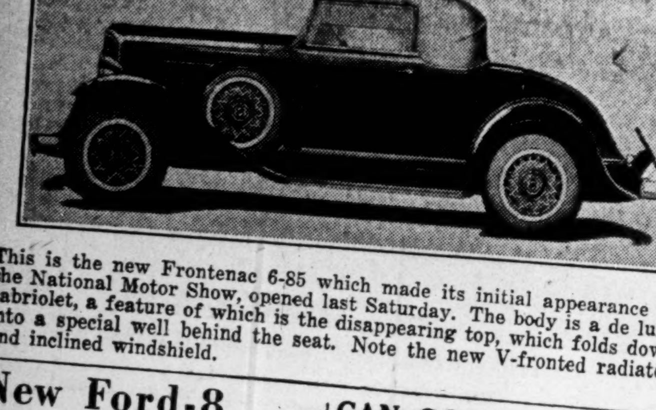
The radiator of the new 6-85 is of a modified shield shape from the front, is of V-section with a domed top, while the sloping windshield is molded into the curved line of the top after the manner adopted on the highest-priced cars this year.

New mechanical features include selective free-wheeling, constant-mesh silent-shift transmission, automatic ignition-key starter, and self-adjusting hydraulic shock-absorbers. The power output of the new engine is increased. The equalized steel-draulic brakes eliminate side-pull.

Bodies on the new Frontenac 6-85 are low slung, yet give ample head-room, while wide doors, and wide, deep seats add to the passengers' comfort. Driving ease is assured by the adjustable steering column.

The new line embraces a de luxe sedan and coupé, a standard sedan and coupé and a sports cabriolet. The top of the latter model, when collapsed, is stowed in a special well, thus preserving the smooth contour of the body. All models are equipped with five wire wheels as standard.

New Frontenac 6-85 De Luxe Cabriolet



This is the new Frontenac 6-85 which made its initial appearance at the National Motor Show, opened last Saturday. The body is a de luxe cabriolet, a feature of which is the disappearing top, which folds down into a special well behind the seat. Note the new V-fronted radiator and inclined windshield.

New Ford-8 May Not Appear Until July 1

Ford's new eight-cylinder model will not be brought out until July 1, according to latest rumors emanating from New York. The same report states that distribution of the new "four," however, will commence in April, and indicates that there will be a difference of $100 between it and the "eight."

Chief Interest in "8"

Figures show that manufacturers' sales of automobiles normally reach the peak in April, and while the new Ford 4-cylinder model would be "in" on the demand, over two-thirds of the Ford enquiries are stated to be for the eight, and it is these prospects whose attention would most likely be diverted to other makes. In this respect the rumor, whether it has any basis in fact or not, may have the effect in reducing Ford's potential sales for 1932.

At variance with this rumor is a report in the Wall Street Journal that plants in Toledo, Ohio, holding contracts for Ford parts have started large shipments to Dearborn, and that 15,000 units have been requisitioned for delivery in the next three weeks. Whether the "eight" or the "four" is involved is not known, although it is understood that the design of both is identical with the exception of the engine.

CAN. GOODRICH CO. CUTS TRADING LOSS

Exchange Costs $351,689—Reserve Provided for Bond Interest

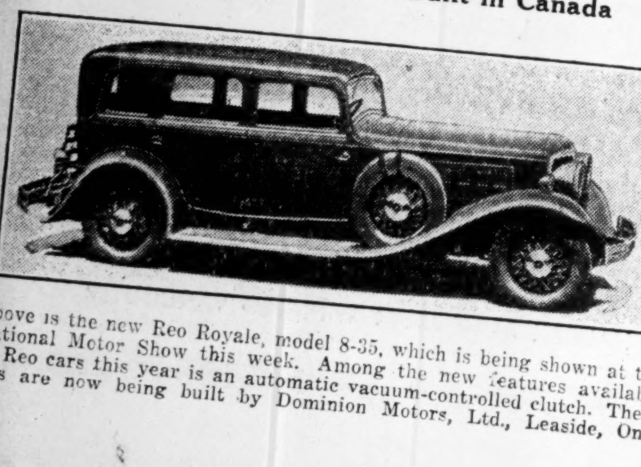
Canadian Goodrich Co. and subsidiaries show an operating loss of $51,863 for 1931 as compared with an operating loss of $286,738 in 1930. Interest on loans, provision for bond interest, loss on exchange and depreciation, increased the loss for the year to $800,216 as against $673,745 in 1930 but in that year exchange was not an important factor while in 1931 it accounted for loss of $351,689.

Unit domestic sales of the company's products are stated to have been maintained but lower price levels resulted in lower dollar volume of sales and tire sales were lower. Inventories of raw materials, semi-finished and finished goods were valued at $744,617 which represents cost or market, whichever was lower.

The balance sheet shows current assets of $1,647,828 of which $490,489 was in cash and $412,722 in accounts receivable. Current liabilities amount to $167,220. There is also a loan from associated company of $1,812,690.

There is $197,900 of first mortgage bonds outstanding and $1,048,600 of 7 per cent cumulative second mortgage income bonds. Interest on the income bonds is payable only when earned and declared and is cumulative from July 1, 1930. Capital stock consists of $85,885 shares of no par value common carried at $2,147,125; capital surplus amounts to $64,111 which after deducting deficit of 1931 and previous years amounting to $1,794,910 leaves $416,326.

New Reo Models to be Built in Canada



bove is the new Reo Royale, model 8-35, which is being shown at the ational Motor Show this week. Among the new features available Reo cars this year is an automatic vacuum-controlled clutch. These rs are now being built by Dominion Motors, Ltd., Leaside, Ont.

Canadian Mining News

SISCOE GOLD MINE PROFIT IS $312,442, FUTURE PROMISING

Production 150 Tons Daily While Recovery is $13.35 Per Ton

ORE RESERVES UP

Extensive Development Programme Encounters New Ore Zones, Two More Levels Planned

Annual report of Siscoe Gold Mines for the year ended December 31, last, discloses that 1931 was a year of achievement and progress for the company with net profits of $312,442, after write-offs, equivalent to 6.6 cents each on the 4,750,000 shares outstanding, as compared with a net profit of $3,610 in 1930.

While the company has shown a profit since production was inaugurated early in 1929, the bullion produced in 1931 exceeded the total produced in the two previous years, while developments indicate further increases as likely during the current year.

The following is the comparative income and surplus account for 1931 as compared with 1930:

Income and Surplus Account
Years Ended Dec. 31

	1931 $	1930 $
Production:		
By amalgamation	641,300	315,749
By cyanidation	101,512	51,517
Gross oper. inc.	742,812	367,266
Less: Development	61,536	26,310
New shaft	17,090	56,632
Drifts & crosscuts	....	13,691
Mining	164,952	103,755
Milling	78,693	75,413
Bullion exps.	3,869	2,124
Camp maint.	4,278	3,266
Quarters maint.	9,771	....
Ins. & taxes	8,052	6,968
Gen. mine exp.	21,698	26,137
Head office admin. & gen. exp.	22,238	14,256
Transfer fees	2,062	2,385
Int. & exchange	450	1,690
Res. for taxes	26,625	....
Net oper. earnings	321,498	34,639
Add: Other income:		
Interest	5,780	....
Cash discounts	167	655
Premium on gold	44,918	....
Misc. income	7,847	....
Total net earnings	380,205	35,294
Less: Depreciation	67,763	31,684
Net profit	312,442	3,610
Add: Previous surplus	8,464	4,854
Balance carried fwd.	320,906	8,464
Earn. per Share and Dividend Record	$0.066	$0.001

Deepening Shaft

The substantial increase in production was partly due to increase of milling facilities early in 1931, and partly to the higher grade of ore treated, principally mined from the western ore zone, where an unusual amount of development work was conducted.

During 1931 the main shaft was deepened from the 450-ft. to the 600-ft horizon and it is proposed to deepen it further during the current year and establish two new levels at 725 ft. and 850 ft., respectively.

In this western ore zone, 500 ft. of commercial ore have been indicated on the 150, 300 and 450 ft. levels. The 600 ft. level has just been opened up, but the report says it is too early to make a definite statement except to say that some very nice sections carrying free gold have been encountered. The situation on this horizon is somewhat complicated owing to the series of dykes and faulted conditions which make interpretation difficult. Diamond drilling 152 ft. below this level indicates promising conditions.

Early this year the Siscoe vein was encountered on the 150 ft. level and at point of intersection was 6 ft. wide carrying considerable free gold. On the 600-ft. level a blue quartz vein, 5 ft. wide, carrying free gold was picked up, while in a long crosscut driven northward on the 600-ft. level a new zone about 40 ft. wide, containing a number of narrow quartz veins, was encountered.

The proved ore reserves are shown at 150,000 tons in the report, which says that considerable larger tonnage seems to be probable, but the somewhat unusual nature of the ore shoot makes it extremely difficult to predict with any degree of certainty how much ore has been made available by development work.

The tonnage treated by the mill has been gradually stepped up during the year and in the last quarter averaged 175 tons daily. Further increases, the report says, cannot be profitably considered until cheap electric power is available. The plant at present is operated by Diesel engines.

The following is a production summary since commencement of operations:

Production Summary

Year	Tons milled	Daily aver.	Recov. per ton	Bullion value
1929*	29,836	83	$10.30	$307,404
1930	33,744	94	10.88	367,266
1931	55,675	150	13.35	742,812
				$1,147,482

*Production commenced Jan. 4.

Production Costs Per Ton Milled

	1931 $	1930 $	1929 $
Devel. & explor.	1.41	2.87	2.10
Mining	2.96	3.08	3.08
Milling	1.41	2.24	2.53
Taxes & marketing	.69	.27	.09
General & adminis.	1.09	1.41	1.65
Total oper. costs	7.56	9.87	9.40
Depreciation	1.21	.94	.75
Total cost per ton	8.77	10.81	10.15
Recovery per ton	13.35	10.88	10.30
Oper. profit per ton	*4.58	.07	.15

*Not including premium on gold.

Liquid Position Good

The liquid position of the company has been built up from 1930 earnings to where it has current assets of $458,077 as against current liabilities of $27,876 giving a net working capital of $430,201 as compared with $93,868 as at December 31, 1930. This liquid position has been further supplemented by the exercising of an option on the 150,000 shares at 50 cents each on February 1, this year, by N. A. Timmins and associates. An option on a further 250,000 shares at 75 cents expires on August 1 next. These options, however, do not affect the shares outstanding as there remain in the company's treasury 453,269 issued shares to be sold for the benefit of the company.

An initial dividend of four cents per share is payable on March 31 to shareholders of record March 21. The following is a comparative statement of current assets and current liabilities.

Working Capital

	1931 $	1930 $
Current assets	381,584	93,354
Current liabilities	27,876	55,094
Working capital	353,708	38,260

MINING CORP. EARNINGS GAIN OUTPUT HIGHER

Favorable Contract Now Expired Speeds Output of Cobalt

MILL FOR ASHLEY

Future Centres on Ashley as Operations at Cobalt Face Further Curtailment

Annual report of Mining Corp. of Canada for the year ended Dec. 31, 1931, showed net earnings of $379,514 as compared with $2,369 in the previous year. Net profits, after all write-offs and reserves, were $347,000 equivalent to 21 cents per share.

The following is a comparative consolidated income and surplus account for 1931 and 1930:

	§1931 $	1930 $
Silver production Cobalt production	596,690	548,497
Total oper. inc.	596,690	548,497
Less oper. expenses:		
Mining charges	232,366	300,440
Milling charges	....	83,399
Smelting & transp.	73,462	48,732
Exam. of prospects	3,057	14,217
Admin. & gen. mine	38,353	29,551
Admin. & gen. H.O.	92,729	94,252
Oper. earnings	156,723	*22,094
Add non-oper. earn.:		
Divd. Cobalt Red Co.	....	1,236
Divd. Frontier (Lorrain) Mines Ltd.	202,000	....
Int. & exch.	16,878	19,517
Other income	3,913	3,710
Net earnings	379,514	2,369
Less reserves:		
Depreciation	27,862	15,408
Less write-offs:		
Mining rights	....	3,650,000
Cobalt Red Co.	....	....
Opt. props. & expl. cos.	....	....
Shs. in other min. cos.	2,987	256,484
Loss, sundry option, prop.	....	2,168,539
Charitable subs.	1,665	2,043
Net profit	347,000	*6,090,105
Surplus for year	347,000	*6,090,105
Add: Prev. surplus	....	67,439
Bal. carried fwd.	347,000	*6,022,666

§Not consolidated.
*Deficit.

Earnings per Share and Dividend Record:

Earned, on net profit	$0.209	Nil
Paid	Nil	Nil

Silver and Cobalt Gain

Despite the lower prices for silver the company's income from mining showed an increase of nearly $50,000 over the previous year, made up principally of increased cobalt metal production, which totalled 1,260,424 pounds as compared with 361,038 pounds in 1930 and 21,413 pounds in 1929. This increase in cobalt production may be attributed to an effort to produce as much of the metal as possible before the expiration of the company's contract on December 31 with the Deloro Smelting & Refining Co., which cannot now be renewed on such favorable terms.

The silver production also showed an increase totalling 1,053,727 oz. as compared with 964,189 oz. in 1930, due to the development of unexpected tonnages of high grade silver ore. The report says there still remains a limited tonnage of high grade silver ore at Cobalt which will be extracted as quickly as possible. It is anticipated the profitable operations can be maintained for several months.

Ashley Building Mill

At the company's subsidiary operation, the Ashley Gold Mining Corp., in the Matachewan area, a mill of 150 tons daily capacity is under construction, planned for operation late this year. A shaft was completed to a depth of 500 ft. and 1,200 ft. of crosscutting and drifting were accomplished on four levels during 1931. Results are reported as being highly satisfactory on each of the four levels opened up and lateral work is proving the diamond drilling, which indicated the Ashley vein as having a length of 1,200 ft. of commercial ore, with both north and south ends open.

Forms McGill Gold

At the property of the McGill Gold Mines Ltd., in which Mining Corp. has an option on controlling interests, diamond drilling and extensive trenching were done in the vicinity of the rich gold-bearing float, in an effort to locate the origin of this vein. Although two quartz veins were uncovered, their character leaves some doubt as to the origin of the float. Further work is planned during 1932.

At the Tyrrell township, Matachewan area, property, staked by the company, no finds of importance were made, while at the Mosher group, adjacent to the Ashley property, the option was abandoned, following inconclusive results.

Pascalis Promising Section

The company has majority interest in a group of 17 claims adjoining the Pascalis Gold Mines where it conducted exploration work last year. The report says that work was inconclusive, but sufficiently encouraging to justify further work during the present season.

Former shareholders of Abana Mines have exchanged a total of 2,536,563 shares or 78 per cent, for an interest in the company's newly-formed subsidiary, the Normetal Mining Corp., incorporated last September, to hold title to the Abana mines. No work is being done at the present time owing to base metal prices. Mining operations at the property of Base Metal Mining Corp., in which Mining Corp. has 35 per cent interest, have been suspended since October, 1930, owing to low prices for lead and zinc. Five years ore at the present mill capacity has been developed and improved metal prices are awaited before production is resumed.

Current Assets Down

The current assets of the company total $425,085 while current liabilities are $134,018 leaving a working capital of $291,067 as compared with $456,766 the previous year, due to expenditure on the Ashley property.

The annual meeting of the company is called for April 4, in Toronto.

Falconbridge Report Has Hidden Virtues

Potential Profit Close to $300,000 is Indicated By Balance Sheet While Liquid Position Will Improve By Nickel Sales Since First of Year

The annual report of Falconbridge Nickel Mines for the year ended Dec. 31, 1931, indicates an operating profit of $10,531 after write-offs. The deficit was reduced to $252,642 by the amount of the operating profit.

Earnings from operations were $258,212. Write-offs for depreciation and mine development and a reserve for taxes totalled $247,681. Another evidence that operations in 1931 were profitable is an increase in the liquid assets to $253,759 as compared with $228,680 in the previous year.

The company publishes no income account.

Profit Larger Than Shown

It is calculated that during 1931 the company received nearly 32 cents per pound for the nickel sold. The valuations shown in the balance sheet for the refined nickel stock on hand apparently indicate that the cost of production is approximately 22 cents per pound, giving a profit of about 10 cents per pound on the metal produced.

By adding the potential profit on the 2,888,000 pounds of refined nickel in stock to the $10,531 operating profit it would appear that the company would have a profit of $300,000 if the stocks had been sold. Inasmuch as the surplus stock on hand at the end of the year has now been sold for future delivery, the showing made by the company in a difficult year is much better than a cursory examination of the balance sheet would show.

Balance Sheet
As at December 31

Assets	1931 $	1930 $
Current	283,760	258,680
Inventories	1,031,415	790,611
Deferred charges	596,101	671,396
Spec. adv. to subsid.	209,298	215,996
Properties & plants	4,438,495	4,578,596
Deficit	252,642	263,173
	6,811,711	6,778,452
Liabilities		
Current	101,194	83,072
Int. not incl. in rev.	40,235	25,098
Capital stock	6,670,282	6,670,282
	6,811,711	6,778,452
Working capital	1,213,981	996,219

At the company's mine near Sudbury the primary operations of mining and smelting ore, and producing matte containing copper and nickel were carried on at capacity with the exception of a three weeks' interruption owing to a break down. Underground development, according to the report, was mainly to the westerly extension of the 350 ft. level where a new ore shoot is being developed of more than the average grade and of good width. Although mine development was considerably less than the previous year the ore reserves increased to 2,725,382 tons averaging 2.31 per cent nickel and .94 per cent copper at the end of the year, including 124,407 tons of broken ore.

The matte produced at the Sudbury smelter is shipped to the company's subsidiary, the Falconbridge Nikkelverk Aktieselskap, in Norway, for refining.

The following is a summary of smelting and refining operations since the commencement of production on February 4, 1930.

Production Summary

	1931	1930
Ore smelted, tons	109,520	71,626
Matte made, tons	4,363.2	2,630
Nickel content of ore, %	2.45	2.47
Copper content of ore, %	1.075	1.08
Nickel content of matte, tons	2,569.4	1,33.5
Matte refined, tons	3,935.8	2,630
Refined nickel prod. lbs.	5,305,222	937,133
Refined copper prod. lbs.	258,967	2,389,381
Refined nickel from customs matte	....	719

Note: No precious metal has arrived at the marketing stage.

"The disposal of the company's products in 1931 presented more than the usual difficulty," said J. Gordon Hardy, consulting engineer and vice-president of the company in the report. This applied particularly to nickel since it was possible to sell all copper in Europe and the precious metal output had not yet reached the marketing stage. During the year 53 per cent of the company's nickel production was sold, leaving 2,888,466 pounds of the metal on hand at the end of the year.

A significant statement is that forward sales for delivery in 1932 have disposed of this surplus and the question of increasing capacity is brought to the fore.

"Sales had to be pushed not only in Europe, but also in the far east and finally in the United States," said Mr. Hardy, "with the result that customers have been held and the list extended."

The annual meeting of the company is called for March 17.

ACTIVITY IN DOME STIMULATES MART, DIVIDEND IS SAME

The President's Statement Shatters Hopes for Higher Yield

The market flight of Dome Mines shares to a new high of $12.50 per share, for the current year, led general activity in the leading market stocks last week.

While Dome's earnings position is known to be favorable, with an increase in recovery, largely due to improved metallurgical practice, the fact that higher dividends cannot be looked for must not be lost sight of. Dome is paying $1 per share annually, which, on a basis of selling price of $10 per share, before the present rise, gave it the accepted yield of 10 per cent demanded of gold mines. That there will be no change from this policy is evident from the announcement of J. C. Bache, president of the company. He is determined to put an equity of $10 per share behind the stock, and at the present time the liquid assets of Dome, including its investment in the East Geduld Mines, is equivalent to approximately $6.50 per share. At estimated current rate of earnings, deducting dividends, it will take at least four years to reach the objective of $10 per share set by the company's president.

Dome is also in a very favorable and sound position both with respect to its operations at Porcupine and in respect to its exploration activities. Its recent acquisition in Pascalis township, northwestern Quebec, is showing up in a splendid manner as is the whole area and officials are hopeful that this prospect may prove to be the new mine which the company has so long sought for.

Copper Output To be Reduced To Stay Prices

With copper prices dragging bottom at around 6¼ cents per pound, the lowest prices in history, further curtailment in production of refined copper to 17½ per cent of potential capacity is planned. Even the Union Miniere du Haut Katanga, it is stated, no longer asks for special operating concessions and offers to join the American producers in the further curtailment of production.

At the present time the leading world producers are operating on a basis of 26½ per cent of potential plant capacity and it is expected that further curtailment will bring the output somewhat below the present world consumption.

While the principal world producers have joined in this voluntary curtailment there is still about 15,000 tons of copper produced monthly by German, Russian and Japanese interests, who have never acceded to the plans of the other producers.

Although final agreement has not been signed it is expected that some definite word will be had this week and the future plans announced.

Index to Mining Stocks

The weighted index number of twenty mining stocks computed by the Dominion Bureau of Statistics on the base of 1926=100, was 55.9 for the week ending March 3rd, as compared with 56.6 for the previous week.

Eleven gold stocks fell from 56.7 to 56.1, four gold-copper stocks from 60.8 to 60.0, and five silver and miscellaneous stocks from 21.8 to 20.4.

Loss of Reno Mill Covered By Insurance

The loss of its mill by fire at the property of the Reno Gold Mines, south of Nelson, B.C., is not expected to impair the company's financial position as the mill was fully insured. Not only is the building and equipment covered, but also "use and occupancy."

The mill had a capacity of 45 tons daily and had been in operation since August, 1929. Favorable progress was being met with and directors had under consideration an addition to milling capacity.

While no announcement has been made, it is thought likely that, when reconstruction plans are approved, productive capacity of 75 tons daily will be provided for.

Opposition Has Developed to Closing Nova Scotia Mines

From Our Own Correspondent

MONTREAL.—Closure of four Nova Scotia collieries by Dominion Steel and Coal Corp., proposed by the company and recommended by the recent Duncan Commission, has been protested to the government by the Cape Breton and Mainland mining communities and representatives of the United Mine Workers District 26.

The basic argument advanced by opponents of the proposition was that both the corporation and the commission had considered the question from the purely economic as opposed to the humanitarian point of view. With this were linked the assertions that the commission had accepted the opinion of the company engineers as to the scheme's practicability; that company engineers had made "costly mistakes" in the past; that no evidence had been adduced to show the pits affected were individually uneconomic in operation; that findings had been brought down based on returns in 1931, an "abnormal year."

The Premier was non-committal in his reply to the delegations saying that whatever decision was reached would be "its best, sincere and honest judgment in regard to it."

United Algoma Mines Promised Further Funds

United Algoma Mines has plans for refinancing whereby English interests will purchase sufficient treasury shares to place the company's property in production.

The company owns the Grace and Star Gold Mines in the Michipicoten area, Ontario, where a mill was completed in 1928 preparatory to placing the mine in regular production. The failure of the company to raise working capital forced operations to suspend and there has been no activity since that date.

Recently the capital structure was reorganized and old shareholders received one new share for each two shares held. The authorized capitalization remains as before—5,000,000 shares of no par value, leaving 2,500,000 shares for additional financing.

Colonel G. C. Royce is president of the company.

WEBER·BROS.
AGENCIES LTD.
PROPERTY
MANAGEMENT
REAL ESTATE
INSURANCE
FINANCIAL AGENTS
EDMONTON CREDIT BUILDING
EDMONTON ALBERTA

NIPISSING MILLING TO BE SUSPENDED BUT WORK GOES ON

Premier Silver Producer to Sink Exploratory Shaft

The closing down of the Nipissing mill does not necessarily mean that "finis" is written to the operations of this old Cobalt silver producer, Hugh Park, general manager of the company, told The Financial Post this week.

The low grade mill has been closed down and the high grade mill and refinery will close in about two weeks time. Underground development will be continued on a limited scale, however, and a new exploratory shaft will be sunk on Cobalt area property where no underground exploration has yet taken place. This new shaft will be sunk to an immediate objective of 350 ft. to determine the possibilities of this section that heretofore has not been explored. Future work in this section will, of course, be dependent on the success met with.

The suspending of production operations was not unexpected as declining silver prices meant that a loss was being incurred. A considerable quantity of the silver produced was stored in the hopes that the price of silver would improve. When it became evident that no substantial improvement was imminent, there was no alternative but to suspend, but with development work continuing it is evident that a good mine dies hard and that where there is life there is hope.

Nipissing has been the greatest of Canada's silver producers, also one of the greatest in the world, with a total output of close to 85,000,000 ounces, valued at close to $55,000,000. Production started in 1904 upon incorporation of the operating company, the Nipissing Mining Co. An initial dividend was paid to the holding syndicate the following year, since then dividends have been disbursed without interruption until with the payment normally due on July 20, last, they were passed. In the interval dividends totalling $29,940,000 were disbursed to shareholders — over one-half the value of the silver produced. The company's record as dividend payer has been exceeded in Canada only by International Nickel, and Hollinger.

The nucleus of the company's property was staked in October, 1903, following the strike made at the Right of Way property a few weeks before. A French-Canadian, Tom Herbert, made the first find on the property and brought his samples to Arthur Ferland, then proprietor of a hotel in Haileybury. The support of Thomas Gibson, present Deputy Minister of Mines of Ontario, was enlisted and Dr. Willet Miller, provincial geologist, was sent to examine the property. E. P. Earl and Robert W. Chambers were then financially interested in the property, the former still being president of the company. The original syndicate of five members are reported to have obtained about $250,000 for their interest.

Royalite Oil Declares 50 Cent Interim Dividend

Directors of Royalite Oil Co. have declared an interim dividend of 50 cents per share, payable March 16, 1932, to shareholders of record March 8.

A like dividend was paid in March last year and in April, 1930. Dividends were inaugurated in 1926 when 25 cents per share were paid. In 1927 75 cents per share was paid, but none were disbursed in 1928. In 1929 25 cents was paid making a total of $2.75 per share or $1,250,000 in disbursements since dividends were inaugurated.

Metal Prices

New York—March 8—
Copper: Electrolytic spot, 6¼ to 6½c lb.
London—March 8—
(Long Ton)—
Copper: Electrolytic spot, £39; future, £40.
Standard spot, £33 10s; future, £34.
Tin: Spot, £128 15s; future, £130 5s.
Lead: Spot, £12 15s; future, £13 5s.
Zinc: Spot, £12 15s; future £13 5s.
Silver: 18¼d. per ounce.

Pulleys, Saws, Mill Supplies
Belting for Every Need
N. SMITH BELTING WORKS
138-140-142 York St.
Toronto, Can.

Eldorado Gold Is Consideri Ontario P

At the annual meeting of holders of Eldorado Gold held in Toronto on March 8, announced that it was the inte to ship out high grade silver Echo Bay during the coming mer, while plans called for construction of a concentrator ing 1933 to treat the lower g silver ore.

A decision has not been rea as to the site of the radium r ery, shareholders were told, sites in Ontario were under sideration and it is expected a decision will be reached by summer. In the meantime the partment of Mines, Ottawa, is ducting experiments on the tre ment of the pitchblende, shipp out last year.

M. Pochon, metallurgical che ist and one of the original asso ates of Mme. Curie, who has bee treating radium ore in Cornwall England, has been engaged for fiv years on a salary and profit sha ing basis, to take charge of th proposed refinery.

Shirly Cragg, a director of the company, discussed the propertie and the possibilities of radiu ores.

NORDON REPORTS OPERATING LOSS

Lack of Success and Diminished Resources Threat to Existence

Annual report of Nordon Corp. for the year ended December 31, 1931, shows impaired working capital, while success was not met in exploration. During the year total income was reduced to $52,655 from $214,192 in 1930 to $29,084.

The operating expenses during 1931 totalled $178,653 leaving an operating loss of $125,999. Commitments on royalty holdings require $24,000 annually plus interest.

During the year an average of 14 employees were on the payroll receiving $47,552 in salaries. In addition 12,500 treasury shares were issued as bonus stock to certain employees. An effort to trim expenses more in line with income has been made by reducing the staff to six employees.

During 1931, 200,000 treasury shares were sold, making the outstanding capitalization 2,070,014 shares out of the 2,500,000 shares outhorized.

PIONEER GOLD

WE have just issued a review of Pioneer Gold Mines of B.C., Ltd. This analysis is compiled from official statements and from reports of reputable mining engineers.

Pioneer Gold Mines is a well-managed, dividend-paying gold property which has developed important, high-grade gold reserves. Its mill capacity is now being trebled, all out of earnings. Increased earnings should become effective by Oct., 1932.

Analysis on Request

A. B. WATTS & CO.
Members:
Standard Stock & Mining Exchange
Montreal Curb Market
330 Bay Street
TORONTO, ONT.

NORTHERN CANADA MINING CORPORATION, LIMITED
Investments in Canadian mines.
Correspondence invited.
J. B. TYRRELL,
President and Managing Director,
Room 930, 25 King Street West, Toronto

Mining Securities
We solicit your orders and will be pleased to furnish you with any information on Canadian mining or oil stocks.
G. W. Nicholson & Co.
Members
Standard Stock & Mining Exchange
302 Bay Street Toronto
Elgin 5317

Survey - Exploration - Photography - Transport

AERIAL FREIGHTING

Less packing and a great saving in time make it economical to ship freight to the north by plane. Mistassini, P.Q., Island Lake, Man., Great Bear Lake, N.W.T., or Ingenika, B.C., are equally accessible by air. Airway agents will be glad to supply rates and information.

Toronto Office
1430 Canadian
Bank of Commerce Bldg.

CANADIAN AIRWAYS LIMITED

Eastern Lines MONTREAL
Western Lines WINNIPEG
Pacific Lines VANCOUVER

Doherty Roadhouse & Co.
MEMBERS STANDARD STOCK & MINING EXCHANGE
Mining Securities
170 Bay Street
Toronto
51 King Street West
Toronto
Royal Bank Bldg.
Montreal
HAMILTON
ST. CATHARINES
KIRKLAND LAKE